NATION'S BUSINESS

rad-

tage

GENERAL LIBRARY
UNIVERSITY OF WICHIGAN

СН

VOL

The Pro

Pre

Wh IF 16

Inv

Bui

Hor Plu Thi The

Wo

Lar

Thr Ma L Me

DRS C

As carrothe of w

ATIC

### Nation's



### **Business**

#### CHAMBER OF COMMERCE OF THE UNITED STATES

VOL. 31	DECEMB	ER, 1943	lo. 12
When Industry is M		Lawrence Sullivan	23
The Unpredictable !	Stockholder	Edward M. Thierry he just doesn't give a darn	25
Property, the Basic Only as you happiness me	Human Right control things can anything	C. P. Ives do life, liberty and pursuit of	27
Preview of Your No	w Automobi	le Philip H. Smith ut the tax collector may design	28
When "Peace Break Norway expe		Art Brown nce to stand on her own feet	32
		Tom Mahoney engineers mend anything from ss	36
Investing in Foreigr How to avoid international	d repetition of	Marcus Nadler World War I experience with	42
Building Lives and Efficiency of veterans	Weapons handicapped w	Vera Lundquist vorkers points way for wounded	46
How to Stop Inflation	on	Fred R. Fairchild	50
Plugging Another B	ottleneck		54
Things to Come			57
The Oil You Don't ( Little petrole		Thomas T. Read plenty next generation	64
War Surplus for Sal	е		68
Victory on the Red Soldiers now	Tape Front fight instead	Herbert Corey of fill out papers	76
Land-Hungry Uncle	Sam	Reed Addison	98
Streamlined Service	Club		100
	REGULAR	FEATURES:	
Through the Editor's S	pecs. 7	Capital Scenes and What's Behind Them	. 39
Management's Wash Letter	ington	Washington War Survey We Tour the Home Front.	. 84
Memo: Don't Forget		The Map of the Nation's	.104
MERLE THORPE	21	FRANK GREENE	. 104

#### MERLE THORPE—Editor and Publisher

Cover photograph by R. I. Nesmith

LAWRENCE F. HURLEY—Asst. Editor & Publisher PAUL McCREA—Managing Editor PAUL HODGES, ART BROWN—Associate Editors A. H. SYPHER—Asst. Managing Editor LESTER DOUGLAS—Director of Art and Printing Assistant Editors—HERBERT COREY, JOHN F. KELLEY, CHARLES A. R. DUNN ORSON ANGELL—Advertising Director J. H. BUCKLEY—Western Advertising Manager Circulation Managers—Eastern, DAVID V. STAHL; Western—FLOYD C. ZEIGLER

GENERAL OFFICE-Washington 6, D. C. U. S. Chamber Building.

Branch Offices-New York, 420 Lexington Ave.; San Francisco, 333 Pine Street; Dallas, 1101 Commerce St.; Chicago, First National Bank Building; Cleveland, Hanna Building.

As the official magazine of the Chamber of Commerce of the United States this publication carries authoritative notices and articles in regard to the activities of the Chamber; in all other respects the Chamber cannot be responsible for the contents thereof or for the opinions of writers.

Although the editors will make every effort to return unsolicited manuscripts promptly and in good condition, Nation's Business cannot accept responsibility for loss or damage of this



American mass production of war materials would literally not be possible without adequate dust control. Industry recognized this even before Pearl Harbor-and the AAF organization immediately went to work on a round-the-clock schedule to meet its demands. Today we're still striving to meet war production needs-but with a weather eye on V-Day, are engineering peace-time dust control systems that must, for the present, remain in the drafting room.

Let us begin now to help you plan your post-war dust control-there's no obligation in discussing your future needs with us today!



AAF filters protect airplane motors from excessive wear and keep 'em



around the world are pro-tected by AAF filters against and contamination. spollage

Send for "AAF in Indus-try", a new booklet de-scribing the complete line of AAF equipment.



ERICAN AIR FILTER CO., INC 109 Central Ave., Louisville, Ky.

## Christmas Gift... to America



"LIFE FOR THE WOUNDED" BY JES SCHLAIKER, COURTESY OF REICHEL LABORATORIES. IN

Lou've read of the practical value of blood plasma. You've heard physicians hail it as the greatest advance in medicine since anesthesia. You've heard how it prevents shock, the greatest single cause of death from wounds. You can imagine for yourself how desperately it is needed. There is no better time than now, in this Christmas Season to make the greatest gift we mere civilians have ever been privileged to present. When your very own life blood goes to war it does more than bring Victory nearer, it helps to bring back to us more of our

bravest and best . . . This advertisement is dedicated to our fighting forces by the York Corporation, whose refrigeration equipment is helping to speed the processing of blood plasma.



There are 33
American Red Cross Blood
Donor Centers in the U.S. If
there is one near you, telephone
for an appointment today.

SOLL

Spi

pre

BURGE

possible tully eng

ot write

NATIO

NATION'S BUSINESS for December, 194



#### SOLUTION-

### Special "wet mufflers" prevent exhaust noise

Silence may mean the difference between success and failure in establishing a beachlead. Landing barge engines must have quiet exhausts so as not to warn the enemy. Beause old-style exhaust mufflers were inadequate and not suited to this use, a special
type of muffler was needed. The new muffler had to make the engine exhaust quiet and sot interfere with its efficiency and reliability.

Burgess acoustic engineers, who first applied the snubbing principle of exhaust quieting, perfected a combination wet-type muffler for this particular application. This special nuffler absorbs the "punch" of the exhaust dugs, so that the exhausted gases leave the ailpipe in a smooth, quiet flow. Exhaust noise is prevented before it occurs rather than nuffled afterward.

BURGESS PIONEERING in acoustic development has produced many other quieting devices. Over 20 years' experience has made it possible for the Acoustic Division to successfully engineer products ranging from exhaust illencers to acoustic telephone booths. Why not write us of your noise difficulties? Acoustic Division engineers may already have worked out the solution to your problem.



Acoustic Division, Burgess Battery Company 2817-P West Roscoe Street, Chicago 18, III.



# Through the Editor's Specs

#### The \$128 question

MR. HAROLD S. Stewart, of Seattle, sends us the most succinct argument we've yet heard against subsidies. He says:

Subsidies are simply a direct grant, or government purchase at one price and resale at a lower price. They are the means of reducing the cost of food on the home front by paying the difference out of the federal Treasury, with borrowed money.

This means that the public on the home front, while receiving high wartime wages, would be permitted to postpone part of their grocery bills until after the war, at which time the millions of our armed forces would be home and compelled to pay a part of our postponed grocery bills.

Mr. Stewart asks a tough question which, when we've put it to subsidy supporters, elicits only a hem and a haw—namely, can't we, here at home pay as we go, at least to the extent of our board and keep?

#### The job ahead

WE READ with some chagrin the other day Dr. George Gallup's report of his experience in asking the American public "Will you tell me in your own words what you understand by the term 'free enterprise'?"

According to his tabulations only three out of ten persons understand clearly what the words mean. Answers ranged from a Queens County, N. Y., printer's, "I just don't understand it. Why don't they tax it?" to a soldier's smart crack, "Free enterprise is what the Republicans haven't got under Roosevelt."

As a publication which has devoted a continuing portion of its space over 30 years to a discussion of the advantages of free enterprise, we can't avoid a sense of disappointment from such answers. Naturally we take some comfort from Dr. Gallup's report that half the professional and business people, including teachers, were able to give intelligent definitions.

Of all the replies, we liked best that of an Oklahoma truckdriver:

"It means a hell of a lot to me. I don't

believe in this stuff of telling a man what he can and can't do."

We've said it a lot of times but never more forcefully than that.

#### In a nutshell

WEBSTER'S DICTIONARY, by the way, has three definitions of enterprise.

way, has three definitions of enterprise. It lists as synonyms "undertaking," "venture," "essay," and "attempt"—"especially one which involves activity, courage, energy or the like; a bold, arduous or hazardous attempt; an important undertaking—as a warlike enterprise."

The second definition is "willingness or eagerness to engage in what requires boldness, energy or the like."

Third and last of the definitions is the single word, "management." In Noah Webster's time, as today, management which wasn't enterprising didn't manage long, and it had to have freedom—in addition to willingness and eagerness—in order to be bold.

#### **Educating the Eskimo**

THOSE WHO can't define free enterprise remind us of the Eskimos who, according to the Associated Press, have politely informed Canadian government officials that they do not wish to "buy any taxes." Lowered exemptions in the new revenue act, plus good fur catches, high prices and high wages, have made many Eskimos subject to income taxes for the first time, but their education as to the refinements of modern civilization had been neglected. They thought taxes were something you bought. Maybe the Eskimos are right; we "buy" taxes when we neglect to consider the expenses of government for which taxes are levied. The Eskimos are learning that freedom from want, et cetera, isn't

#### Pistol-packing mamma

ONE OF our staff men was induced by his wife to attend a dinner put on by the Ladies' Aid Society of a church near a naval establishment in a capital suburb. The dinner was served cafeteria-



#### TO THE WIFE OF EVERY RAILROAD MAN

OUR appreciation for the part wives of railroad men are playing in solving the world's greatest transportation problem makes us wish we could send orchids to every one of them.

WE'D LIKE TO SEND

Their cooperation is an important factor in helping Erie and other American railroads maintain an amazing record of wartime transportation service.

Such a record is achieved only by teamwork of all railroad men supported by wives who understand the importance of getting the job done.

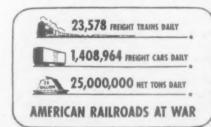
And thanks to the wives, family life is adjusted to meet all emergencies.

They are patient in having meals ready at all hours to meet irregular work schedules.

They are understanding when husbands have been absent for long hours on duty

To them belongs a big share of the credit for the miracles which are being performed by the railroads.

We are grateful to them because they give us further assurance that American railroads will continue in peace as in war to provide the world's finest and most economical transportation.





style. Just ahead of our man in the tray. line was a Navy captain, followed by an ordinary seaman. The captain was a bit slow in choosing his food, and a matron behind the counter impatiently motioned to the seaman to go ahead of the captain.

"This man is not permitted by regulations to pass his superior officer," said the captain, sternly.

"Young man, you'll do as you're told," replied the matron, arms akimbo. "Get along."

The young man hesitated briefly between the Voices of Authority, then plunged ahead of the gold braid.

"Let that be a lesson," said the matron to the captain, who, our man feels confident, did just that.

#### Commendable labor trouble

STEINWAY & SONS report with pride a problem in labor relations. The company is, of course, up to its keyboard in war work, making gliders instead of pianos. The Army wants production—staccato and fortissimo—for which the management feels very obligato. Along with the company, some of the finest, most careful workmen in the world have converted their skills to the new job.

The labor trouble is this: The management must constantly watch to prevent their old-timers from sticking in an extra coat of varnish or sandpapering infinitesimal rough spots which the Army is quite willing to overlook in the interest of speed.

#### Subsidies, B. C.

A READER who knows our weakness for historical analogies sends us the following excerpt from James Anthony Froude's "Caesar: A Sketch," published in 1881 by Harper & Bros.:

"The younger Gracchus . . . brought forward and carried through, with enthusiastic clapping of every pair of hands in Rome that were hardened with labor, a proposal that there should be established public granaries in the city, maintained and filled at the cost of the State, and that corn should be sold at rate artificially cheap to the poor free citizens. Such a law was purely socialistic. The privilege was confined to Rome because in Rome the elections were held and the Roman constituency was the one depositary of power. The effect was to gather into the city a mob of needy unemployed voters, living on the charit of the State, to crowd the circus and to clamor at the elections, available no doubt immediately to strengthen the hands of the popular tribune, but certain in the long run to sell themselves to those who could bid highest for their voices.

Many are the precedents, comments our reader, for everything that Musso lini did—and that was done to him.

#### Folk-lore, 1943

TIME WAS when a man lost every thing, he "lost his shirt." Now he "lose his pants." Once a man "bet his shirt; today a western mayor bets his pant who le pover the ca

nto th

ry U

The fe

to 20

that I

in as

We c

hat"

lest W

he V

Lar

United this is for ess rate or mendo ous prements real es Earl Govern mto pu through

inction tenance income process A promunist income would it ernment types. It is do it result if the sult is the sult if the sult is the sull is the su

res.

AS THE trating powers pigeons could en

ienly o

larrier plo estal ind use As position with the second common air, mer we'll bettelves, plc.C. or

How's

#0 per claster the per cent For les to delive village, reight to

With a nailroads nore fre

that no other mayor in the country can to as good a job in scrap-iron collection. We caught ourselves offering to "bet a hat" the other day, but hastily reneged lest we date ourselves irrevocably as of the velocipede era.

#### "Land Poor" Uncle Sam

EVERY MAN remembers a neighbor who bought so much land that he impoverished himself to pay the taxes and the carrying charges, and was therefore

ermed "land poor."

y-

an bit

on

he

gu-

aid

d."

Get

be-

ien

na-

els

ride

om-

ard d of

n—

the

ong est,

orld

new

preg in per-

the

the

folnony

shed

ught enr of with d be

city, f the at a free ocial-

ome, held, the

was

eedy

arity
nd to
e no
the

ices.

nents

usso

very

nirt:

pant

n.

Uncle Sam may be getting himself nto this predicament (See "Land Hungry Uncle Sam," page 98, this issue). The federal Government now holds title to 20 per cent of the entire area of the United States. Granted that much of this is waste land and acreage acquired for essential federal establishments, the mate of acquisition has stepped up tremendously in recent years, posing serious problems for state and local governments which are chiefly dependent upon real estate tax revenues.

Earlier in our history, the federal Government fed its vast land holdings at private hands as fast as it could, brough homesteading and other measures. As they were brought into production they created wealth and sustance, and provided a source of tax acome for local governments. Now the

process is being reversed.

A principal plank in Karl Marx' Comnunist Manifesto proposed government wnership of all land, because this would hasten the collapse of local govrnment and private ownership of all ypes. Marx was impatient—he wanted o do it at one stroke of the pen. The result is the same, whether done sudlenly or gradually.

#### Regimenting the pigeons

IS THIS is written, Congress is delibrating a bill to broaden the Executive's lowers to include control of carrier ligeons. Under the bill the President buld enforce upon the 12,000 owners of arrier pigeons any regulations he chose lo establish for control, maintenance and use of the birds.

As potential competition with other ommon carriers—tel. and tel., rail, ir, merchant marine, pipe lines, etc.—we'll bet the birds ultimately find them-lelves, post war, in the suzerainty of the

IC.C. or F.C.C.

#### How's that, again?

THE AVERAGE freight train carries 0 per cent more freight, 56 per cent aster than in 1920—an increase of 220 or cent in efficiency.

For less than the government charges deliver a one-ounce letter to the next illage, the railroads move a ton of

reight three miles.

With 22,000 fewer locomotives and alf a million fewer freight cars, the alroads are transporting 55 per cent more freight than during the last war, and at a lower cost.



Let's get ready for a fast start on war-deferred construction by having blueprints and specifications ready for Armistice Day. Sorely needed improvements to municipal water supply, gas and sewerage systems—piling up since Pearl Harbor—will give large employment to returning service men and laid-off war workers—quick employment if plans are ready.

Public health and protection also dictate the urgent need of restoring water supply, gas and sewerage systems to full efficiency at the earliest possible moment. Informed citizens will be justifiably out of patience with delays which

can be avoided by blueprinting now. \* \* \*

"Blueprint Now" is the slogan of the national Committee on Water and Sewage Works Development,\* organized to co-operate with state and municipal officials in getting postwar plans translated into blueprint form. Our members contribute this publicity to furtherance of this practical and patriotic program in the public interest.

One communicate with the Committee on Water and Sewage Works Development, address Suite 2110, 500 Fifth Avenue, New York 18, N. Y.

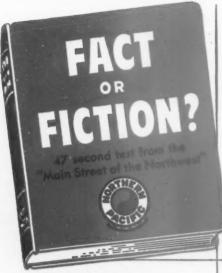
NO. 1 TAX SAVER

CAST (TRUS

Pipe bearing the above mark is east iron pipe.

Made in sizes from 11/4 to 84 inches.

CAST IRON PIPE





Q. Post war bicycles may be made of plywood. Fact or fiction?

A. Fact. Today, however, most plywood is going to war. From Washington and Oregon comes 85% of our supply, much of it via Northern Pacific Railway.



Q. Turkeys originally came from Turkey. Fact or fiction?

A. Fiction. Turkeys originated in America. This year Northwest growers will market enough turkeys, via Northern Pacific, for 1,350,000 dinners.



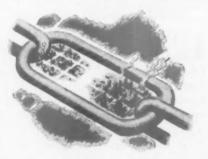
Q. Pilgrims invented cranberry-turkey combination. Fact or fiction?

A. Fiction. Indians invented it. Today Pacific Northwest growers ship around 1,800,000 pounds of cranberries annually over the "Main Street of the Northwest"



Q. This white flag symbolizes surrender. Fact or fiction?

A. Fiction. It signals an "extra" freight train. "Extras", delivering vital war materials, are a common sight on Northern Pacific tracks today.



Q. Northern Pacific Railway links the largest number of important population centers in the Northwest. Fact or fiction?

A. Fact. That's why Northern Pacific is called "Main Street of the Northwest".



### NORTHERN A PACIFIC

MAIN STREET OF THE NORTHWEST

If government could show a comparable improvement in efficiency and cost to the taxpayer, ours would be the best run nation in all history. Yet the Vice President tells us that government ownership of the railroads is inescapable, and that private management is to blame. We don't get it, Mr. Wallace, even in an election year.

#### War-time dilemma

MANY business men who come to Washington to help out on war jobs puzzle over whether they will be most useful at a war agency desk or back home in the plant. Often it's a Hobson's choice. Housewives sometimes have similar problems, we learn from the public prints.

Recently the newspapers reported the plight of a mother who, eager to do her bit, volunteered for work in a day nursery. She hired a maid to look out for her own children during the hours she was away from home. Soon she was as signed to look after a "problem child," a little boy whose mother was unable to give him proper attention. The little boy, of course, turned out to be the maid's child.

do it

Makes

confus

hard to

SHA

Cleom

you st

ixture

see the

10 4

H

NAT

The reporter who wrote up the incident was reminded of the old song "Who'll Take Care of the Caretaker's Daughter, While the Caretaker's Busy Taking Care."

#### Tremendous trifles

PHILADELPHIA—The District Office of Price Administration said Wednesday it would take criminal action against anyone in terfering with its investigators. A spokes man for the office made the statement is commenting on a report that two agent were ushered out of a farmers' market a Shillington, Pa.

THIS Associated Press item led us to look into the circumstances of such drastic action. We found Shillington (pop. 918) located in Lancaster County Pa., in the heart of the Pennsylvania Dutch country. It seems that R. B Lausch, a butcher, was serving his cus tomers when an OPA investigator came in behind the counter to check up of Mr. Lausch's pre-dated ration stamps Business went on as usual until the in vestigator turned his attention to Mr Lausch, making some cutting remark about the way he was cutting his meal Mr. Lausch, proud of his calling, humili ated before his customers, talked backt the Federal Agent. The customers joined in the argument, which developed from light into heat. At this point the OPA butcher-pedagogue was ejected cause," as Harold Ludwig, owner of the market testifies, "his actions were dis turbing the peace of my establishment.

There is nothing but praise for the efforts of OPA in carrying out its mandate to keep prices down and thus avoid inflation. But zeal of administration should not outrun judgment. Next to Lancaster County is York, and it was there, it should be recalled, that the NRA met its Waterloo—or Yorktown—in an overzealous administration of the affairs.

NATION'S BUSINESS for December, 1943

### HOW light helps speed War Production!



cost

own. able lace

jobs

most back son's have

d the o her

nurs-

t for s ashild, ole to little e the

song ker's Busy

Price

ne in ookes ent in

gents ket a

such ngtor

unty

vania

s cus

came

ip or

ne in

o Mr

nark

meat ımili oineo

fron OPA

"be of the

e dis

man avoid ation

xt to

NRA in ar ffairs

943

Spots snags. Smooth, silhouetting light from recessed G-E Mazda Fluorescent lamps covered with sanded glass makes it easy to locate weak spots in parachute material . . . and



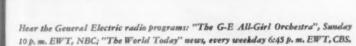


Makes "mikes" talk . . . and talk plainly. In many a war plant confusing reflections on the barrel of a micrometer make it hard to read. But under a large area source, of low brightness, the figures stand out clearly.

SHADOW HIDES WORK



thom chaser. When you have to work in your own shadow, you strain to see, make more mistakes. But move the lighting fature slightly, to put the light where it helps and you can see the difference!



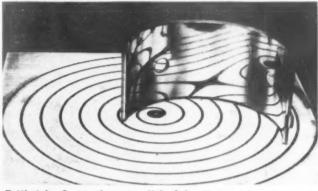
GE MAZDA LAMPS







Saves time. Shadows on the dial made it hard to read. But a white collar placed around the dial shaft at a 45° angle reflects light on the scale to speed seeing, increase accuracy, reduce fatigue.



Tattle-tale. Inspecting a polished bearing surface is tough under ordinary light. But place it on a smoothly lighted diffusing glass with lines on it; clean-cut reflections say "OK", distortion says "roughness".



Write for a copy of the new booklet "How Light Can Speed Victory". Gives many practical suggestions on lighting for production. Write Dept. 166-NB, General Electric, Nela Park, Cleveland, Ohio.

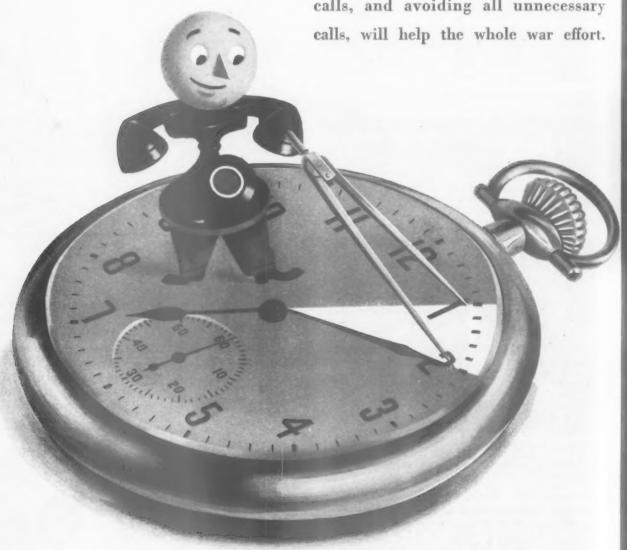


NATION'S BUSINESS for December, 1943

### PLEASE LIMIT YOUR CALL TO FIVE MINUTES

When a Long Distance circuit is crowded the operator will say: "Please limit your call to five minutes."

Observing this time limit on essential calls, and avoiding all unnecessary calls, will help the whole war effort.





ng the

This ng the ightin



#### PREVIEW OF TOMORROW'S POWER

If you want a glimpse of how tomorrow's hard jobs will be done, ook at what is doing the tough war obs today — such jobs as building irfields in the jungle.

Look in tanks and trucks, in landing barges and patrol vessels, in factors and auxiliaries. You'll find General Motors Diesel Engines packing them with power.

This grueling service is emphasizng the virtues of GM Diesels—highighting their ruggedness—showing how little fuel they use, and low-cost fuel at that.

With the war won, our expanded facilities will be turned to peacetime needs, and these engines will be available for many applications where America will need dependable, economical power.



New eras of transportation follow in the footsteps of war. Another new era of transportation is assured in the wake of this war. General Motors Diesel Locomotives already are establishing new standards.

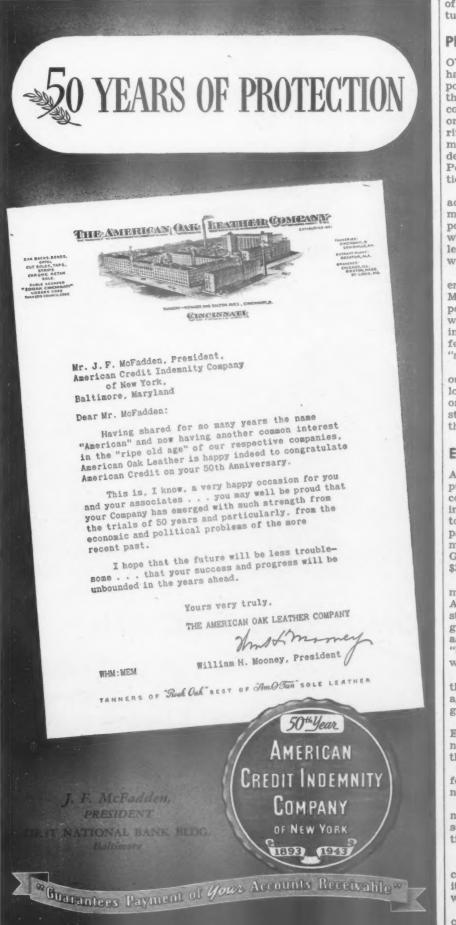
BACK THE ATTACK-WITH WAR BONDS



ENGINES ..... 15 to 250 H.P..... DETROIT DIESEL ENGINE DIVISION, Detroit, Mich.

ENGINES .. 150 to 2000 H.P. .. CLEVELAND DIESEL ENGINE DIVISION, Cleveland, Ohio

LOCOMOTIVES ...... EECTRO-MOTIVE DIVISION, La Grange, III.



of one Fred Perkins, battery manufacturer, which became a cause celebre.

#### Planning for the next war

OVER IN Baltimore, OCD volunteers have voted to organize a nation-wide post-war organization among the more than 10,000,000 such volunteers in the country. A tentative constitution for the organization provides for induction rituals by candle-light and establishment of eight institutions for care of destitute children of OCD volunteers Permission of the President for formation of the organization is being sought

Congressman Ellison, of Maryland addressing the initial meeting in Baltimore, told the volunteers: "Frankly, the possibilities of the organization over whelm me. It would be a pity if you just let the organization (OCD) go by the way."

Organizers of the movement apparently are skeptical of "war to end wars. Mr. Robert T. Bensel, chief organizer pointed out that the Bible says, "ther will be wars and rumors of war." It is important, he added, that a civilian defense organization be kept intact to "serve during the next war."

fi

ea

pi

ar

en

ic

in

We've heard a great deal about various forms of preparation for what follows peace. So far as we know, the OCI organization is the first in the field that the preparing for the next war before this one is over.

#### Enterprise—not so free

A FEW months ago the Governmen purchased the biggest and best-know commercial garage in downtown Wash ington. The garage charged its customers \$15 a month for storage an parking. Under government management, the same facilities are costing th Government—i.e., you, as a taxpayer-\$32.75 a month.

Under questioning by a Senate conmittee, an official of the Federal Work Administration, in charge of the garage stated that he "felt sure the garage wigrow more valuable to the Government as the various government department "become more thoroughly acquainted with its facilities."

Senators were quick to point out the this implied a sales campaign to g agencies to switch their patronage to the government-owned garage.

Later, the Budget Bureau prepared a Executive Order for the President's si nature compelling the agencies to ut the Government garage.

Here is an example of the time-wor formula to get Government into bus ness. This is the cycle:

First, convince Congress of a "cryin need," an "insatiable demand" for service, which produces an appropri

on. Second, set up the undertaking.

Third, when the demand is not fort coming, get an appropriation to creatit, because otherwise the "investme would be lost."

Finally, fourth, compulsion or "belcost," to obtain the "insatiable deman which started the project.

anufac ebre,

unteers on-wide te more in the for the duction tablish care of unteers formassought uryland in Baltikly, the noveryou just by the

appar I wars. ganizer , "ther r." It i lian de tact t

That be in the ear printing the printing the

ut vari hat fol he OCI field to r befor

ernment know Wash ts cus age an manage ting th

te con ta
I Work fr
garag
age wi
rnment
rtment
quainte me

to go ared a tint's sign to un

ne-woo Re to bus end ic "crying for propri in the create be created by the create be created by the c

1943

A lo

TREM and big implements of the front ing Irreproper program in the proper program in the property in the prope

Rotax frac Botion murea series and series are series and series and series and series and series are series and series and series and series and series are series and serie

ATI

## MANAGEMENT'S Washington LETTER

A last minute roundup by a staff of Washington observers of government and business

TREND OF MOST SIGNIFICANCE TO BUSINESS and management is the swing away from big government with all its <u>socialistic</u> implications, its curbing effect on free enterprise.

This is the backswing, the reaction, from the <u>supergovernment</u> built up dur-

ing the 1930's.

Involved also is a reaction from the early war days when Congress passed appropriation measures with lightning speed, when Washington measured war progress by dollars allocated, persons hired.

House appropriation committee's slashing of 82 per cent off the administration's supplemental budget is an expression of these reactions.

Rough treatment accorded the New Deal tax program, approval of a tax total a fraction of that asked, is another.

Both reflect Congressional determination to force curtailment of government ureaus, government activities, govern-

ent pay rolls.

Perhaps some Congressmen voting gainst administration appropriations re not aware of the full significance of their votes—which are a manifestation of revolt against the governmental rend of the last decade.

Economy forces in Congress interpret epublican political victories as public adorsement of anti-big-government poly, gather more strength.

Most optimistic estimate of this growag economy group is that 300,000 will

cut from federal jobs.

This would take extensive pruning of ext year's appropriations, could not accomplished before mid-1944.

Even that cut would reduce length of overnment pay rolls only ten per cent.
Note: Some Congressmen who voted
Wreau budget cuts in committee sessions

have received protesting letters from "constituents" before the vote was publicly announced.

This shows the bureaucrats' sensitivity to Congressional action. It also warns of the fight they will make to hang onto their jobs.

The economy swing clearly indicates that President Roosevelt has lost control of this Congress, even though it is dominated by his own party.

Congressmen, quick to sense feeling in the grass roots, are abandoning New Deal

spending policies.

This is as true of Democrats as it is of Republicans.

Commendatory letters, as usual, are few.

A hostile Congress, even though it is hostile on domestic issues only, greatly decreases the attraction of a fourth term.

Looking for consumer goods? Keep an eye on government surplus property lists.

Sale of surplus is Government's newest Big Business.

While Congress treads water on disposal problems and administration "studies" them, Treasury's procurement division goes ahead and handles the business.

The division finds it both good and growing. Figures show its rapid rise.

In October Treasury disposed of \$10,500,000 worth of goods marked surplus.

That is two-fifths of all surplus disposed of by Treasury since it took over the job under presidential executive order last February.

Less than <u>half</u> the goods moved in October went to other government divisions—which get first crack at it under the President's order.

The major part—\$5,700,000 worth—went to the public through Treasury's 11 field offices.

Most property sold so far has been shop, construction equipment, raw and processed materials. Priorities are required on controlled equipment, materials.

But consumer goods listings will rise sharply as Army releases ware-housed surpluses.

To learn what government is offering and to get on bid lists, write the nearest Treasury procurement division field office. These are in Boston, New York, Washington, Cincinnati, Chicago, Atlanta, Fort Worth, Kansas City, Denver, San Francisco, Seattle.

First complaint of surplus dumping comes from National Stationers Association, which reports that ink, paste, blank book binders, other stationery items have been sold outside regular trade channels.

Association asks members to urge their Congressmen to provide for a five-year moratorium on surplus sales.

Transportation men looking toward 1944 see one big ray of hope—

Traffic demands can't become much greater because the nation's productivity has reached—or come very close to—its peak.

Even so, those in the transport field say the outlook is somber.

ODT Director Joseph B. Eastman's order prohibiting extension of truck operations unless specially authorized by ODT reflects seriousness of the highway transport situation.

WPB has upped both truck and tractortrailer production, but the increase will not exceed and may not meet replacement requirements.

Large size heavy duty tires are scarce, will continue to be scarce. Rubber mills, manpower, are inadequate.

Army orders for trucks, trailers, tires, have increased greatly, adding to civil transport troubles.

Railroads, credited with doing one of the war's outstanding jobs, will be asked to tighten their belts still more.

This includes quicker, fuller loadings, faster movements. Same will apply to trucks.

▶ We hate to disappoint you, but—you can expect fewer government reports to cross your desk in the future.

Momentum gained in the business men's battle to stem the flow of OPA and other questionnaires is carrying them beyond their original goal.

Now they are examining critically the long list of statistical reviews, other periodic reports that spout from dozens of bureaus, new and old.

They plan to weed out <u>duplications</u>, others that do not have enough <u>practical</u> value to warrant their continuance.

Examiners who will determine "practical value" are members of the business

and industry committees appointed to work with Budget Director Harold Smith to break up the questionnaire heyday of a year ago.

Smith was authorized by Congress to check all government forms, consult with industries affected, reject those that could not be justified.

d.

S

aı

ch

gr

wi

wi

go

19

re

us

cle

was

tal

els

253

Wa

alc

rub

foo

pro

for

foo

it

0

tio

rat

Wh

Stab

Rose

conv

not

NAT

Ne

F

Business men are encouraged by Smith's cooperation, point to a 50 per cent cut in government's time-taking question-naire demands.

▶ WPB officials search for a formula for equitable distribution of materials among civilian goods producers.

Here's their problem: Supply of many materials exceeds war's demands. These could be diverted into essential civilian lines.

But surplus (over current war needs) isn't large enough to spread among all manufacturers who might be able to use it.

If one or a few producers in a single line, stove-makers for example, were allocated sufficient materials for mass production they would have a marketing advantage over competitors denied material.

If the market were thrown open, WPB reasons, plants without war work would gain competitive advantage over those filled with it.

Manpower shortages, of course, complicate the problem. No surplus materials will go to areas where war production manpower is short.

There's renewed talk of marketing brandless "victory" models in civilian lines until all competitive producers have equal opportunity to resume prewar positions.

The good cheer you get from your distiller this holiday season will be half spirits and half wishes.

Check of the industry shows distillers are releasing from 50 to 60 per cent of shipments a year ago. Few, if any, plan extra holiday rations.

Whiskey makers individually are enforcing their own conservation programs, hoping to make present stocks last through the war.

Situation in Scotch is similar. Scotland's distilleries stopped making whiskey at about same time those in U. S. switched to war alcohol. That was in October, 1942.

Public utility experts see special significance in Secretary Ickes' reor-

NATION'S BUSINESS for December, 1943

ganization of the Interior Department bureau of reclamation.

Some interpret Ickes' action as a definite step toward expansion of government power holdings after the war.

The little noted reorganization has divided the bureau administration into six regions.

In each a <u>power representative</u> with considerable administrative authority and latitude may carry out power development, negotiate sales, agreements.

or

var

ar

5-

lf

ers

of

an

ms,

15-

943

He is responsible not to the regional reclamation director, but to the Interior Department power division, operated directly under Ickes.

This set-up, private utility men charge, enables the Government's power group to operate under the cloak of the widely accepted reclamation service.

Early reports indicate wheat plantings will fall substantially below government goal for 1944.

Goal is nearly 30 per cent above 1943's 50,000,000 acres in wheat.

Farm experts say unless goal is reached some <u>restrictive steps</u> in wheat use may be necessary next year.

War's drain on wheat stocks is shown clearly in this year's figures. Crop was about 835,000,000 bushels. Use totaled 1,200,000,000.

Thus the carryover, 618,000,000 bushels at the year's start, was reduced to 253,000,000.

War drains include wheat used to make alcohol for explosives and synthetic rubber, heavier than normal demands for foods, both human and animal.

Experts say first wheat saving step probably would be substitution of sugar for making alcohol.

Thus you will have enough breakfast food, but you may not be able to sweeten it to taste.

▶ OPA now has a business man administration, but that doesn't solve all your rationing problems—nor all of OPA's.

Chester Bowles is guided, bound by same law, same conditions, that governed Leon Henderson and Prentiss Brown.

White House still dictates policies, through recommendations from Economic Stabilizer Fred Vinson and Adviser Sam Rosenman.

Nevertheless Bowles has succeeded in convincing the public that rationing is not a reform but a war measure. Perhaps much credit for the quiet on the rationing front should go to the storekeeper and his customers.

They've become used to it, are putting up with it with less complaint.

Send your tax headaches to Colin Stam, chief of staff, joint committee on internal revenue, New House Office Building, Washington, D. C.

Stam doesn't want the headaches, but

he wants to hear about them.

He is charged with drawing up a plan for simplification of taxes, both corporate and individual.

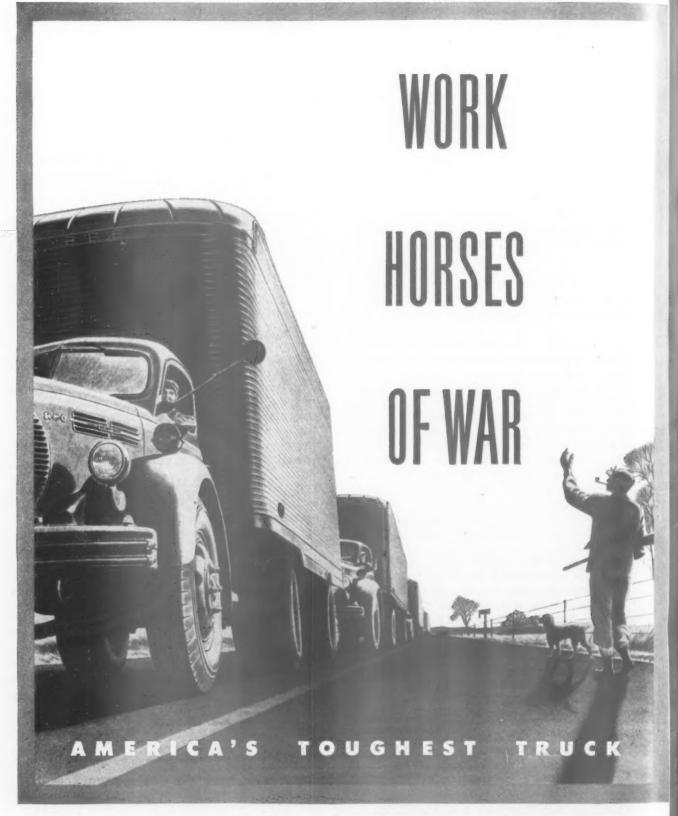
Experts from Treasury, Internal Revenue Bureau are working with Stam's staff, hope to prepare a plan of action this month.

Outside tax experts say simplification is sorely needed, but can come only with complete rewriting of internal revenue code. That might be done.

Dept. of when the war will end:
Military history students say that in
our last four wars the enemy has cracked
up six months after U. S. production
reached its war peak.

The production mark (so far) in this war came last June, with \$7,600,000,000 spent. That is six months ago.

TOO LATE TO CLASSIFY: Because Washington officials change status so often, their names no longer can be printed on government letterheads, rules Budget Bureau. This will save 9,500,000 pounds of paper, it adds....Henry M. Spelman, Jr., chief of OCR leather section, predicts use of old tire carcasses for shoe soles....World War I infantry division had 4,400 horses, 153 motor vehicles. Present count: 3,500 vehicles, no horses.... Coal men say biggest trouble with government operation of mines is the endless forms they must fill out. Otherwise business is about as usual.... W. A. Patterson, United Air Lines president, says planes he ordered before war, to cost less than \$300,000, now would cost \$400,000 because of higher wages in aircraft plants. What was that about a helicopter on every garage roof?...Army Ordnance Department's use of resin (for plastics) will total 8,000,000 pounds this year ... . High prices being paid for East Texas oil lands indicate speculators' belief that oil prices will go up. ... Five British shipping companies operating South American services announce they will form separate company to operate air routes "as soon as the necessary consents and machines can be obtained."...



Over peaceful American highways—and at the global battle fronts—powerful convoys of Reo trucks speed the weapons and supplies of war. Proved on today's toughest jobs, trucking will play an important part in the new peacetime world—with Reo in its traditional position as a time-honored builder of fine commercial vehicles.

REO

NP

and I

atic. e su

rn, oted oup

Som

ande

hich

meric

REO MOTORS, INC. . LANSING, MICHIGAN

20

NATION'S BUSINESS for December, 1943



### Memo: Don't Forget the Exciters

N PLANNING for after the war, isn't there langer of placing too much emphasis upon our spacity to produce? We have, it is said over ad over again, the plant to produce a \$125,-100,000,000 income.

Well, what of it? Nothing novel in that. There ever was a time when our production did not ep up to demand. Granted that the machinery of doubling our peacetime business stands ready perform, what then? What is necessary to make it turn over and gain speed? It cannot eve of its own volition. It has no self-starter. It turns out goods and services upon demand. In the back of demand lies insistent, not-to-benied desire.

Too many of our economists and political planers overlook this factor. They think business is latic. Business in the United States is normally le sum total of 100,000,000 daily transactions etween individuals. These "trades" move the 5,000,000 horsepower in our plants. But, in left, these exchanges are stimulated, propoted and brought to consummation by a little bup of exciters, of dissatisfiers, of evangelists and better things. They sustain the ressure on progress, they alone prevent the colpse of our famed standard of living, they buck and back up that old-timer, demand.

Some planners recognize this truth in a leftinded way. They predict a boom period for year or two after the war because of pent-up mands. But they stop short of considering ays and means of continuing those demands. hey give no thought to the skill and sweat hich caused those demands originally.

A little Negro boy was asked if he wanted to ake a quarter and he replied, "No, suh, I done it a quarter." That homely—and ancient—yarn les to the root of the whole matter. Consider day's news: Wages skyrocketing on a South merican rubber project—twice as much paid

1943

Eskimos as a year ago—bonuses paid to woodlot workers to meet the paper pulp scarcity—and in every case, as purchasing power exceeded desires, less days were put to labor, and production actually decreased.

We all have our quarter.

On every giant generator, capable of pulling loads equal to that of 250,000 horses, there is a little box about two feet square. Engineers call it an exciter. The "horses," they tell us, are naturally lazy just like real horses and humans. If a spur is not put to their flanks, they loaf, go to sleep, stop. Every power and light plant must have its exciters.

When the Master Plan is written to encompass all postwar planning, it should pay a good deal of attention to the exciters and their encouragement; it should draw lessons from their incessant work in switching us from coal oil lamps to electricity, from the buggy and iron-bound wheels to the auto and rubber tires, from their victory over our resistance to, yes, to the railroad, telegraph, telephone and airplane. Most conveniences we enjoy today were "sold" to us with great travail, not by twilight sleep.

We should urge management now to call upon the men and women of its "exciter" department to speed up sales and promotion plans, to telescope into 12 months ideas which normally would come in five years; to realize that upon their resourcefulness and energy hangs the \$125,-000,000,000 speed of America's production machine. To the extent that they are able to make us unsatisfied, to want better products and services, to that extent will we desire and produce and exchange, and make come true our fondest hopes of reconstruction.

Merce Thorpe



#### A new war "paint" goes on the war path!

#### ANOTHER REASON FOR GOOD FYEAR LEADERSHIP

The shrill call to General Quarters ... men leap from their bunks and go pounding down the decks to gun posts. With split-second timing, every man must arrive at his battle station. If just one happens to slip, the fighting efficiency of the entire ship is instantly impaired.

That's why a new type of flooring surface was needed for slippery, wave-washed decks...something a man could brace his feet against... keep his footing in the roughest kind of going.

Out of the laboratories at Goodyear has come a remarkable plastic which gives men safe footing on any deck. It's called Dektred. It can be troweled on the deck or sprayed on like paint. Then it hardens to form a tough, non-slip surface that is completely weather-proof.

Today Dektred is serving on American ships—in gun emplacements, on deck stairs, passageways, and on the flight decks of aircraft carriers. When the war is won, this new durable Goodyear product will have many practical peacetime uses—in homes, stores, factories, public buildings, and in all kinds of mobile transportation.

Long a pioneer builder of tires, Goodyea also has wide experience working wit metals, fabrics, plastics, chemicals—materials vital to America in today's war fare, vital to the better world you ar going to live in tomorrow.

When '

as end s of la luction

nanago vith t Contra

Ther

ains o

erhap

anufa

nd too

et, ol

roduct

icture

ilities

te inv

ay rol

oyme

peac

nen of

inatio

In br

omplet

If you love your country-buy more War Bond



THE GREATEST NAME IN RUBBE

NATION'S BUSINESS for December, 194 ATI



### When Industry Is Mustered Out

By LAWRENCE SULLIVAN

War contracts usualy are cancelled by telegraph. When Washington decides it as enough, it means enough sof last Tuesday. "Stop production!" From that point, management is face to face with the dark realities of lontract Termination.

There's next week's pay roll; mounins of raw materials in the yard, erhaps half of it in various stages of anufacture. There are special jigs and tools to be liquidated, loans to be et, old machinery to be swung into roduction. On the balance-sheet the icture is good; assets are big and liailities small. But termination jells he inventory assets temporarily, and By rolls always are expressed only in sh. Without immediate cash, emoyment must be curtailed. And, war peace, unemployment is the first en of recession. Problem-cash terination settlements, promptly!

In broad aspect, liquidation of unimpleted war contracts is a problem

THE SUCCESSFUL approach to postwar solvency and stability depends on quick settlement, without tedious audit, of cancelled war contracts

> for government. But it is the immediate, practical problem of management because management must know where to turn, what forms to send off, how to segregate and earmark surplus inventories, how to appraise war tools and equipment in accord with Washington's definitions, how to start negotiations for the termination settlement. It's a special job for a top-flight executive, one familiar with every aspect of production, finance, taxes, and government relations, with markets and all the special engineering problems of reconversion—a vice president, so to speak, in charge of Contract Termination.

Such an executive, when that inevi-

table telegram arrives, will have on his desk a program to flow into action within the

To date approximately \$10,-000,000,000,000 of war contracts have been cancelled, or "cut back." This is a greater volume of cancellations than hit

American industry at the end of World War I! To put it another way, we have cancelled more contracts during the present war than after the last one. More than 8,000 prime contracts already have been cancelled, out of a total of some 400,000.

Today approximately 200,000 prime contractors are performing an overall average of two contracts each. But these 200,000 prime contractors are supporting a network of at least 2,000,000 subcontracts.

From the procedures developed and results obtained in these 8,000 cancellations, a vast experience is available to guide future policy. The experience has been a grim ordeal for

many contractors. New legislation already is being framed, but many issues of basic policy remain to be clarified. Should each procurement department negotiate a separate termination for each contract? Renegotiation prices and profits originally was handled by the several departments, each according to its own pattern. As a result some large contractors were renegotiated simultaneously by two or three different departments, with an attendant duplication of legal fees, cost accounting and red-tape formalities. To eliminate such duplication, the suggestion has been advanced in Congress that a new overall federal agency be established to handle all termination settlements. Such an agency would include representatives of the principal procurement departments, Army, Navy, Maritime Commission, Treasury and Lend-Lease.

#### Principal objectives

ON the other hand, several industry spokesmen contend that the original contracting agencies probably could settle 75 per cent of the contracts by routine procedures, without dispute, leaving only contested cases for final adjustment in Washington.

Three principal objectives are in mind on Capitol Hill:

First, the termination arrangement

must provide quick cash resources to enable the supplier to convert to peacetime production without an abrupt contraction in employment.

Second, capital tied up in inventory must be made liquid at once, either through purchase for government stockpiles in the case of strategic materials, or through direct transfer of title to the processing company, to serve as collateral for bank loans against peacetime production.

Third, the Government must take title to a vast array of industrial machinery and tools de-signed exclusively for war production. As measured in horsepower, most of the wartime industrial plant, of course, can be diverted immediately to peacetime production. But something between \$10,-000,000,000 and \$15,-000,000,000 in special jigs, tools and equipment will remain for assignment to government arsenals and shipvards.

Congress agrees that the formula for dealing with these problems must be determined long before the day for wholesale contract termination arrives. Continuity of employment, the first objective of the transition program, pivots on a plan for termination settlement ready to be applied overnight.

One of the most difficult problems the policy makers face relates to subcontracts. Shall the termination arrangement made with the prime contractor cover also all his subcontractors? Or should each subcontractor be terminated separately from Washington, the Government having regard for the type of production and the convenience of reconversion?

Allowing the prime contractors to terminate their subcontracts would mean giving them a vast amount of government authority. On the other hand, direct termination of each subcontract by government would set up a job which hardly could be accomplished within a year, whereas termination must be signed, sealed, and delivered in 30 days if hardship, unemployment and widespread bankruptcy are to be avoided.

Another problem: Should Congress attempt to set down a broad termination formula for all industries, or

should each industry have a different plan, depending on the time required to swing into peacetime production? Should each major war-production in dustry set up a task Committee on Contract Termination Policy, to function much as the WPB and OPA advisory committees now operate? The suggestion has some merit, because war production will be terminated in stages and by degrees in various lines Aircraft, for example, likely will be going full blast long after artillery is cut back to 25 per cent of the maximum war schedule.

HE

WC

tim

indi

ann

wro

nan

isn'

for

ever

hear

a fi

stoc

pan

dire

of s

cour

arot

ours

nual

mon

T

was

mad

men

stoc

the

duce

lowe

mar

some

"I

went

nual

01332

OSS

attra

repor

rs t

but a

the (

stock

repor

avail

One device to hasten cash settlements already is in experimental operation. It is the VT loan, made through regular commercial banks but underwritten and guaranteed by the Federal Reserve System and the Treasury. The VT loan, however, is available only up to the amount certified by the government procurement agency after all details of the termination settlement have been agreed upon. It is merely a pay-off method to be employed after the settlement is negotiated.

The Government pays all interest on VT loans pending final clearance of the settlement check through the General Accounting Office. This check then liquidates the loan and the interest is charged to the Treasury through the Federal Reserve System. But this

device could not serve the contractor who might be compelled to wait three months for an agreement with the War or Navy Department on the specific terms of his termination.



TO HANDLE this type of case, one plan suggested before the Senate Military Affairs Committee would authorize the contractor to use his accumulated in of th come and excess profit tax reserves, covering his next facto tax payment with a note ings endorsed by the proper procurement agency, the no c note to be held by the Treasury as a lien upon the final termination settle ment. This plan would a once release billions of dol lars in tax reserves for termination settlements without intervening fisca operations.

Present estimates are that something between \$75,000,000,000 and \$100, 000,000,000 are involved in uncompleted contracts (Continued on page 92)



"Victory will never come in a package wrapped in red tape," according to General Knudsen

### The Unpredictable Stockholder

HE WRITES only when angry, won't read reports and sometimes hopes the company will be put out of business

A WOMAN in Philadelphia took an indignant look at the XYZ Company's annual report to stockholders and wrote a scorching letter to the com-

pany president:

ferent quired ction?

ion inee on func-A ad-

ecause ted in lines

vill be tillery

maxisettle-

tal opmade

banks,

eed by

nd the ver, is certi-

ement rmina-

agreed

hod to

ent is

iterest

ance of

h the

check

inter-

arough

ut this

ve the

ght be

eement

vy De-

specific

ation.

type of

gested

filitary

ofit tax

is next

proper

by the

pon the

settle

ould at

of dol

ement

g fisca

es ar

etween

nvolved

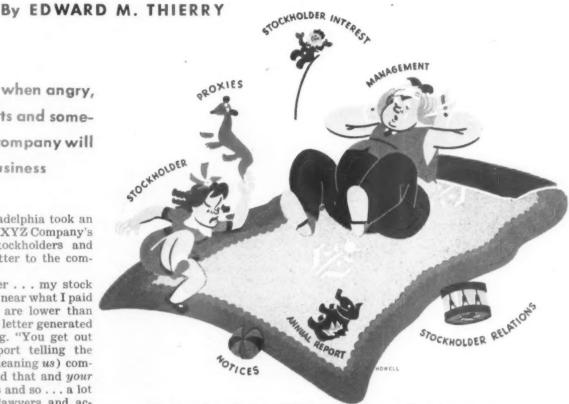
ntracts ge 92)

an

"I am a stockholder . . . my stock isn't worth anywhere near what I paid for it and dividends are lower than ever before, etc." The letter generated heat as it went along. "You get out a fine expensive report telling the stockholders your (meaning us) company is doing this and that and your directors believe thus and so . . . a lot of stuff written by lawyers and accountants . . . sounds the other way around, it's yours indeed and not ours! Instead of printing fancy annual reports why not give us the money in dividends?"

The president replied promptly. He was extremely sorry to learn of madam stockholder's "disappointment in the lower market value of the stock, and would like to point out that the dividend rate had not been reduced although there was naturally a actor to lower percentage yield on the basis ted in of the present market quotations; and market quotations, often based on factors other than a company's earna note ings and prospects, are of course omething over which a company has cy, the to control."

"It was kind of you," the president went on, "to write us about our anmual report. We have tried to make our reports as fully informative as possible, and it seemed to us that an ves for attractively printed and illustrated report might induce more stockholders to read it . . . anyway, the total ost of the report was equivalent to but a fraction of a cent per share of the company's outstanding common 1 \$100, tock; therefore, if we had printed no report at all, the savings would have added nothing tangible to the amount lvailable for dividends."



Far from ignoring the "little" investors, intelligent corporation executives are learning that it pays to coddle them

This stockholder could take it. She replied that she thought the president's letter was swell, that she now understood the situation better.

"I'm willing to admit I'm wrong," she concluded, "but I still think annual reports to stockholders are spinach!"

#### What do they think about?

NOT all stockholders are so refreshingly articulate. Of the few who are articulate at all, not many ever admit wrong conclusions.

What do stockholders think about? Many corporations have been trying to find out for years. Dividends, of course, first and always-but what else? One public utility company got a blunt answer from a woman stockholder. (Incidentally, women constitute at least half of the registered stockholders of most American corporations.) This woman wrote:

"I do not care to receive any more letters from you about legislative matters, or anything else. I don't want your reports either. Send me my dividends, nothing else."

The company executives knew when

they were licked. They tagged the mailing list for "Dividend Checks Only" and wrote a polite letter saying the instructions would be carried out "until notified to the contrary."

This particular stockholder took no notice whatever of the company's efforts to inform her of a threat against her property rights, not even to the extent of trying to find out whether the company was correct in considering the threat real and not

On the other hand, some stockholders berated the company for not pro-

testing to Congress.

While the holding company legislation was pending, many stockholders did write to the companies whose stock they owned and even to members of Congress as well. Mostly they were against the legislation. Some were for it; a few even hoped the companies would be "put out of business" yet they did not sell their stock.

Stockholders, by and large, frequently miss the important matters that affect their property. But there are always those who seize upon minor

Corporation secretaries each year

grow more careworn and haggard when they wrestle with the problem of notices and proxies for annual meetings of stockholders. Some corporations have tried to save expense and expedite returns by providing postcard proxies. Some stockholders complain that this method is too public; they wouldn't think of sending their signatures through the mail so openly.

"All right," says the secretary next



"Why don't you pay off in canaries, aspirin or barbed wire?"

year, "we'll use a postage prepaid envelope."

Promptly come letters criticizing the cost of this method.

#### Kicked about wide margins

A WOMAN in Hoboken complained about one company's mailing methods because she lived in an apartment house where nosey neighbors could look over her mail. She particularly did not like getting dividend checks in window envelopes, which plainly told the neighbors when and from whom she got her income. So the company tagged its mailing list so that this one stockholder out of some 70,000 could get her checks in plain envelopes.

The prize for a suggestion for management economy goes to the stockholder who wrote to say that the company's annual report was a dreadful waste of paper because of the wide margins on each page.

Impulses of economy cause some people to be stringsavers; and there are stockholders who save postage-prepaid envelopes which corporations often send out in soliciting proxies and use them, sometimes years later, for other communications to the company.

A Milwaukee dentist, a long-time and most friendly stockholder, used to use the envelopes for sending in clippings from the company's reports and from newspapers written over with witty comments. Once, sympathizing with the management for the hard road it had to travel, he enclosed a small package of foot powder.

A woman in Montreal, objecting to a dividend paid in shares of stock of an underlying company, wrote:

"Why not pay in canaries, aspirin or barbed wire like the Germans?"

That was too much for the distracted person who handled stock-holder correspondence. He drafted this reply:

"We have moved the canaries out of the cage to make room for ourselves, and the Securities and Exchange Commission has surrounded us with all the barbed wire not under priority. As for the aspirin, we doubt if there will be any left for the stockholders after we have relieved our own headache."

They didn't send it.

Stockholders relations have become an increasingly important phase of corporation management. In recent years most of the larger corporations, and many small ones, have paid much more attention to stockholders than ever before; those who have been carrying on the work for many years have devised new methods seeking to stimulate interest.

These managements are simply broadening their sales promotion. Customers are not the only prospects. There are really three groups: the public (including the customers); the employees; and the stockholders. The importance of the groups, from a wise public relations view, is in the order named; yet the groups overlap. A company that talks up to one group and talks down to another finds itself on dangerous ground.

Notwithstanding these dovetailing relationships, stockholders seem to be a distinctly different breed.

Most stockholders are apathetic, many fast asleep. Generally they don't seem to give a damn. When they do, a few write caustic letters, appear as hecklers at annual meetings, file nuissance suits, and hang on to their few shares apparently just for the pleasure of stirring up trouble. This type are almost always the holders of only a few shares. The larger holders, who have analytical facilities, are more likely to have a constructive approach.

Actually, only a small proportion of the stockholders of any corporation ever call or write to find out what is going on. Most of those who do are discontented. Apparently the contented ones regard silence as consent. Management, usually a minority group, thus takes things for granted; if it is good it gets along without

stockholder applause. If it is bad it is not bothered with any stockholder checkrein. True, the Securities and Exchange Commission holds checkreins which sometimes penalize good managements and do not always hamper the bad; but no law has yet been devised to protect careless investors.

#### Largest unorganized group

STOCKHOLDERS are a large and important group, the capitalists, mostly of small means and small holdings, who supply the venture money that has built the American economy. How many are there? Estimates run from 10,000,000 to 15,000,000 men and women, not counting an unknown number of bondholders who are mostly unregistered. There is no accurate census of stockholders, because many own shares in more than one company and also both preferred and common shares in a single company.

In addition, there are indirect owners of corporation securities—said to number some 66,000,000 life insurance policy holders and 45,000,000 savings bank depositors. Obviously, there are millions of duplications among them. It is equally obvious that a major segment of America's population has an interest in what is called private enterprise.

Joi

ship

the ]

hom

Moth

mak

the 1

tells

wan

righ

ernn

Man

occu

Wha

wor

shor

ernr

syst

like

do t

Tho

ice

the

put

whe

the

Joh

stay

still

this

on.

firs

aga

wai

the

cou

arn

pea

ver

N

V

Jo

Bu

Stockholders—investors, if you like—are the largest unorganized group in the United States.

It has been proved that a corporation cannot rally its own stockholders for a cause. Congress took six and one half months in 1935 to enact the Pub-



She endorses the handy dividend check to the garbage man

lic Utility Holding Company Act. It might not have enacted such drastic legislation if stockholders had united in protest.

Here is a yardstick of stockholder interest: One of the oldest and largest companies, which many proponents of

(Continued on page 89)

### Property, the Basic Human Right

By C. P. IVES

JOHN DOE, crack loftsman in a shipyard in the big town, doesn't like the plant set-up. Besides, his wife is homesick. She wants to be nearer Mother and the girls. John and Mary make up their minds to go back home.

But when John puts in his notice the boss gives him an argument! He tells John he can't do just what he wants to do in the matter of a job. And right behind the boss is the U. S. Government.

John, of course, is in what the War Manpower Commission calls a critical occupation. Ships are war work. What's more, the plant where John works is in an area of manpower shortage. That means that the Government has worked up an elaborate system of controls to keep good men like John in the jobs where they can do the most good for the war effort. Though there is no compulsory service law, the Government does hold in the background a constant threat to put John in the army unless he works where he can do more good outside the army.

When it was pointed out to them, John and Mary could see the need for staying in critical war jobs but they still didn't like the idea of taking all this pushing around with no law to go on. They did a lot of thinking. For the first time in their lives they'd come up against compulsion. They saw the wartime need for it but they made up their minds that they'd do what they could to prevent any of this straightarm stuff from spilling over into the peace after the fighting was done.

"And yet—just how could you prevent it, John?" asked Mary.



ONLY so long as every person has an opportunity to control his portion—but only his portion—of the worlds' goods, can the threat of tyranny be held at bay

John couldn't say exactly, at first, but he kept on thinking and out of his thinking grew a new appreciation of the ways in which the rights of property protect the freedom of men. For the first time in his life, John Doe could see how false is the idea that there is a conflict between "human" rights and "property" rights. For the first time, it was clear to him that property rights were pretty much the basic human right.

This is how it works out:

#### Where each man is master

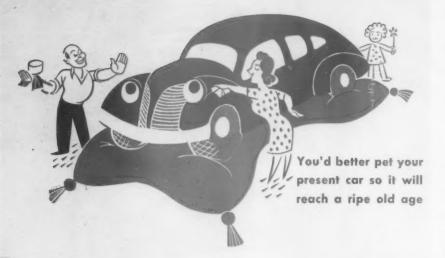
THE very fact that all may acquire property rights means that property rights are widely subdivided among the people. Within the area of his property rights, each man is master, but the area of that mastery is rigidly restricted. At the boundary of the private man's rights the rights of his neighbor begin—and end. The private man's property rights protect him

against the Government, but they protect him as well against his neighbor.

It is just this aspect of property rights which comforts John Doe-the man of little or no property-against the tyrannies of men with property. Consider the propertyless man in the world of property. He has only his labor to sell. He must sell that labor to the Government or to another private man or concern. Usually, of course, since the system of private property restricts the scope of government, the laborer must sell his services to the private man or concern. When he does that, he gives his employer extensive control over his own life. By raising or cutting wages, the employer may regulate the very share which John Doe is to have in the flow of goods and services by which we all exist.

Although this control over the lives of others irritates the shallow thinkers, discipline in industry is fully as important to society as is discipline

(Continued on page 86)



HOUSANDS of cars have coughed their last this year and have been dragged away to junk yards. You'd better pet yours and coax it into delivering all the miles it can.

Your chances of getting a new car grow slimmer every day, even if you have the purchase money and the blessing of your local rationing board. Of the national stockpile of 500,000, thought to be plenty a year ago last February, only 155,000 are left. The military needs cars even more than you do and they are going fast.

By the time the last new car has been bought, used cars will become increasingly scarce. Transportation will move up to near top place on the hit parade of national problems. And you'll be begging to be told when you can get a new car.

The answer is: at the earliest, six months from the date peace is declared.

That is the model there's been so much talk about. Rumor says it will be fashioned out of aluminum and plastics and go twice as far on a gallon of gasoline as your present car. In the pictures which appear somewhere almost every week, it is shown to be roomy and styled in breath-taking lines. It may be low in price, too. Henry Kaiser, the shipbuilder, is reported to be ready to launch a car for \$400 which will have its engine in the rear and be sold at filling stations.

All these rumors suggest the preparation of a revolutionary car. But not one of these reports comes from an established car maker. Automobile manufacturers have made no promises because the first cars they make to sell you in, say, 1945 will differ no more from the model you bought in 1941 than that model differed from the previous year's. It will have improvements, but there'll be nothing freakish about it.

Do you wonder why manufacturers are so backward? One reason is that making new designs and tools for that brand new car would take about two years. Imagine your howl if you had to go carless two years longer! Imagine Detroit with its hundreds of thousands of workers idle for two years! Any idleness is bad and the longer men remain out of work the harder it will become to absorb them. Every idle day reduces purchasing power, which in turn reduces jobs.

#### No time for new ideas

MANUFACTURERS appreciate this. They have decided that their main job is to get peacetime production going as early as possible. To do this they will have to produce the car they can manufacture quickest. There will be no time to winnow visionary ideas, or to capitalize on all the fruit of war experience.

It will take at least three months, it may take eight, to reconvert plants and begin manufacture, depending on what was done to a factory to fit it for war work and the kind of goods it is now producing. It depends, too, on the speed with which others-the makers of lamps, spark plugs, carburetors, and a hundred other items can produce. The making of cars involves thousands of companies, each producing a raw material, a tool, a machine, a part, or an accessory. All must be in a position to start together.

If you had seen what happened after Pearl Harbor you'd appreciate what conversion means. Machine tools were swept out the door and stacked in vacant lots. Cement assembly line foundations were torn up with pneumatic drills and new ones laid, walls were pushed out and in.

Conversion meant going from order to chaos and back to order at government expense. Reconversion will be a repetition at the manufacturer's expense. And the cost, if not held down, will have to be passed on

Don't let this give you the idea that

### Preview

SE

tor

m

en

within

pocke

inum

engin

large

and l

doned

it's e ence h

more

to ex

certai

car a

the c

cars '

provi

your

won't

make

what

NA

Wh

Au

car makers have been leading you on deliberately with pretty pictures. They have nothing to do with it. The pictures are simply "artist; conceptions." Made by skilled industrial designers, they are legitimate pioneer. ing and designs will be advanced by them eventually.

The much touted "postwar" car will come. It may be the second or third car you buy after the war. If it's made of aluminum it will be lighter, hence have more snap and be cheaper to run. It might cost you from \$75 to \$150 more than your conventional steel car.

Aluminum may be used for car doors very soon. You'd notice it if a door was, say, 30 pounds lighter. It would be easier to swing and it would slam with that nice, deep rumble that speaks good coachwork. Then, if engineers decide that the light metal has real merit they'll use lots of it. They'll be shooting to bring car weight down at least 500 pounds because nothing less will give you the snap and economy worth the extra cost to you. Aluminum might make the rear-engine car feasible, then you'd get lots more passenger space without added car length.

#### Not like an airplane

THE worth of aluminum has been proven in aircraft. Even so, some engineers prophesy we'll have all-steel planes before we have all-aluminum automobiles. They say that what aluminum has done for aircraft is no criterion for automobiles. The problems of design are not alike. An airplane is built for a specific purposeto fight, to bomb, or to carry troops and cargo. Every pound of weight saved improves performance. There is no ceiling on cost, and appearance is unimportant.

By contrast, the automobile is a multi-purpose design. It must have reserve power for bursts of speed and hill climbing, it must be given protection from the assaults of telephone poles, fences and other vehicles, and on Sundays and holidays it must be capable of quick conversion to carry people and rations. It represents the acme of compromise and it is successful only when it pleases you and a million others and its price comes

NATION'S BUSINESS for December, 1943

### v of Your New Automobile

By PHILIP H. SMITH

SEPARATING fact and fancy, one finds that the customer, the tax collector and Congress have almost as much to do with designing the postwar car as the engineers and the industrial designers

pocketbooks.

l on

The

cep-

de-

eerced

will

nird

ade

nce

un.

150

car.

car if a

. It

uld

hat

en-

etal

it.

car

be-

the

tra

ake

ien

ace

eneel um nat no obirps tht is is

rend ecne nd

be

ry he

SSa es

13

Automobiles were made of aluminum long ago. It was used for bodies, engine blocks, crankcases and other large units. Because it proved costly and hard to fabricate it was abandoned except for small parts. Today it's easier to handle because experience has accumulated, but it still costs more than steel. Engineers are going to experiment with it until they are certain it will make a vastly superior car and they'll sweat until they get the cost down. Dozens of aluminum cars will be tortured to death on the proving grounds before one gets into

When it is offered to you, aluminum won't be the only talking point. Car makers know you don't appreciate what you can't see, and you never lift

within the range of your various the hood anyway. They will style the car to make your mouth water.

The plastic automobile is even further in the future. You have plastics in your present car. The steering wheel, gear shifter, and knobs on the instrument panel are made of the wonder material. So are some of the gears. More will be used all the time. But the automobile engineer will stick to steel until plastics can take it when a car rolls over.

#### More miles per gallon?

"THE new car will go twice as far on a gallon of gasoline as your present car." That's a forecast frequently made and it sounds swell. Let's look into it.

You can make a car lighter by using aluminum and, if it's lighter, it will use less gasoline. But supposing engineers turn thumbs down on aluminum. What then?

Smaller engines running on airplane fuel is one answer. That 100 octane gasoline is more potent than any gas you've ever poured into your tank. Engines designed for it can be made smaller with no sacrifice of snap. However, there's a catch to this. The reports that this fuel will be plentiful after the war are too optimistic. There won't be enough to go around and the present plan is to blend it with other gasolines to raise the general octane level.

Reducing the overall size of cars is by far the simplest way to lighten them. But no manufacturer or engineer advocates it. Whether or not he approves is beside the point. He is certain that you would not like it and, as the person who buys the cars, you're the boss.

It's been said America needs a good light car to sell, delivered, for \$500. It's implied that weight-saving means cost-saving and a cheaper car for you. It isn't as simple as that. Money can be saved by using less material, but the cost of fabricating parts doesn't drop proportionately with their reduc-



of them.

A light car, economical to operate, will have to be smaller until there's some brilliant design engineering. What America needs may not be what it wants. When you've been offered a standard model for \$50 to \$150 less than the de luxe one with the trimmings you've bought the latter preponderantly. You may have planned to buy the cheaper one when you entered the salesroom, but you didn't come away with it and that's what counts. The manufacturer thinks your selection proves that you prefer luxury and smart appearance to lower cost. So, year after year, he's striven to give you more quality, up-to-theminute styling, and enclose it in a bigger, consequently heavier, package.

Economics can exert great influence over car design. That may sound like a screwball idea, but it will stand scrutiny. You're the boss of the automobile world and your bankroll deter-

mines what you buy.

#### You make the choice

YOUR economic well-being is a more reliable guide to the car of the future than the air-brush drawings of designers and the forecasts of visionaries. The seers suggest the roads we might travel; you make the final choice.

Several things brewing right now may cause your car to be radically different in the years to come. Most portentous is the threat of an exhausted

tion in size, and there are just as many science always wins its goal, you can prophesy that gasoline shortages will be met by manufacture of fuel from oil-bearing shale and coal. It can be done, but we don't know yet at what price. It's got to be one thing or the other-either there must be more fuel or you must consume less of it.

The tax collector could become part architect of your future car. Every fee or tax imposed on your car raises the cost of ownership and operation. The burden may become unbearable. . .

We don't know what kind of a world we're going to have after the fight is over. We hope it will be a better and more prosperous one. But if it isn't, if we have to stagger under a load of debt and more revenue must be found, the only escape may be to design less costly vehicles.

You've been getting a whale of a lot better car year after year largely because installment credit has been softening the wallop of the first cost. The manufacturer has used economies in production to give you a lot more car for a little more money instead of trying to give you a progressively cheaper car.

Study of price tags will demonstrate that. The lowest priced standard automobile today (before Pearl Harbor) costs more—sometimes twice as much as the lowest priced car in 1915—but it is ten times as much automobile.

The engineers might reverse this if a clamping down on credit made purchase price a real consideration to you.

Credit control isn't a far-fetched

Pre-war England and the Continent show you what a car might look like if all the economic threats came to pass. There, where fuel was 50 cents or more a gallon, horse-power taxes climbing, and credit not so widely used, engineers evolved a car almost unknown in America. They call it the light car. It has everything our cars have except those things we think essential-roominess, and the power which enables you to step out from behind a truck and speed to the top of a hill without gear change.

#### Will astound the world

YOUR car of the future may follow the road of luxury and comfort as embodied in the 1942 model, or it may swing toward the European design. Peace will bring us close to the crossroad. But whichever road is selected the product offered to you will be good. Throw a challenge to the engineers and they'll meet it, as they have met the challenge of war production, by astounding the world.

There's a possibility that aircraft builders will accept challenges, too, They've been flirting with the idea of car manufacture. They'll have factories, tools and manpower, but they'll lack experience and sales organizations. These are heavy handicaps, so heavy as to warrant the prophecy that they'll stay in their own fields unless they can team up with a car

or parts producer.

Aircraft builders know how to use aluminum and plastics better than the automobile people, but they have no monopoly of information. The auto maker knows he has to keep his costs down and if he can do it and still use aluminum, he'll put it in your car. When transparent plastics can be made with harder surface you'll get them in your windshields and windows. You may even get that plastic body. If you know where to look you'll find people working on all these things right now.

You can be thankful engineers aren't letting their fancies soar. The decision to make the postwar program focus on full employment assures you that you'll have a new car as early as possible, and multiplies the chances of your getting a revolu-

tionary car later on.

Your postwar car will be a swell automobile just because it will spring from the 1942 model. It took 40 years of trial and error, heartbreak and bankruptcy, to make it what it is. And no complex mechanism, except the human body, has demonstrated the capacity to stand so much abuse at the hands of so many people and continue to "take it."



Henry Kaiser is reported to be ready to build a postwar rearengine car which filling stations can sell for \$400

oil supply. If the time comes when we must import petroleum products, the price of gasoline will rise. If the rise is substantial, you'll holler and the engineers-hearing your clamor-will accept the challenge and will do something about it.

idea. Just suppose you and 1,000,000 other people rush out to buy a car the day peace comes. You threaten to boom and bust the automobile industry in your eagerness to be first. Wouldn't limiting credit check the flood?" And, once tried, might it not become a If you have unshakeable faith that permanent regulatory device?

The : ige ma o your any. E n requ pards. If you

ffice an

### Suggestions for making First Aid effective

## This room helps protect your pay envelope!



I so unfortunate as to have a serious accident on the job, you'd have no hesitation about receiving emergency treatment in the First-aid Room.

But have you ever stopped to think that it may be just as important to have even the very small, "every day" injuries treated promptly?

The danger in small injuries lies in

their very smallness. You "laugh them off." Yet, even a little scratch or cut or blister can lead to serious infection. You can't "laugh off" blood poisoning!

Protect your health, happiness and earning power by visiting the First-aid Room for every injury, no matter how small. It is not a sign of weakness. It is a sign of intelligent foresight.

Don't let a little injury become a big one!

The message reproduced on this page may prove particularly useful to your employees and your commy. Enlarged copies are available to request for employees' bulletin wards.

ok me 50 ver so car ney ing we

the out the

ow m-

nay gn. sssted be enney roaft oo. of acy'll za-

SO

ecy

lds

car

use

the

uto

sts

use

ear. be

get vinstic u'll ese ers The oroascar lies

olu-

vell

ing

and

nd

the

the

at

43

If you operate a smaller plant or fice and do not have a First-aid

Room, Metropolitan will gladly send you a helpful booklet, "First-aid Service in Small Industrial Plants." It discusses economical methods of constructing, equipping and manning a small first-aid room. It also summarizes the principal state laws and codes governing first aid.

COPYRIGHT 1943 - METROPOLITAN LIFE INSURANCE CO.

#### Metropolitan Life Insurance Company

(A MUTUAL COMPANY)

Frederick H. Ecker,
CHAIRMAN OF THE BOARD

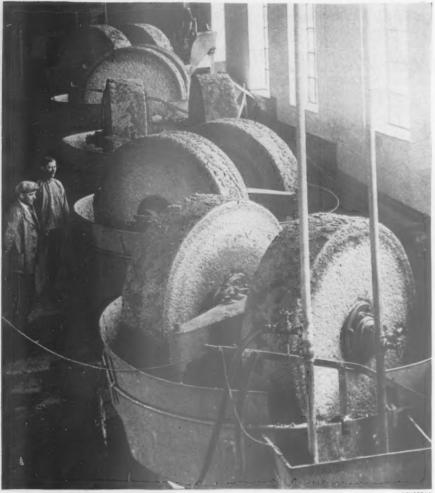
Leroy A. Lincoln, PRESIDENT



1 MADISON AVENUE, NEW YORK 10, N. Y.

### When "Peace Breaks Loose"

By ART BROWN



Making pulp, a typical Norwegian industry. "Once our wheels are turning again," say Norwegians, "we'll pay our own way"

NORWAY is one nation which expects to solve its postwar economic problems without getting something for nothing.

Norway will look to America for financial and material help after the war but on a business-like basis. She believes that, given an opportunity to sell her goods and services, she will be able to buy and pay for what she needs to rebuild her national economy.

Norway's people, although the Nazis have stripped them of machinery, farm equipment, locomotives and ships, have never given up.

Norwegian soldiers and airmen trained in Scotland and Canada have fought the enemy in some of the hardest battles of the war.

Norway's merchant marine also has been of great aid to the United Nations.

"The services of Norway's fleet," said a British general recently, "have been equal to an army of 1,000,000

One Norwegian tanker alone has crossed the Atlantic 45 times, with and without convoy, and has delivered to England sufficient high-octane gasoline for 39 bomber raids of 500 planes each, with enough left over to provide one week's gas for 900,000 cars in the East.

Now that defeat of the Axis seems certain-and there is likelihood that Germany may be forced to shorten her lines by pulling out of the Scandi-

ONE occupied country, facing tremendous problems after the war, plans realistically for reconstruction—and asks only for help to help herself

navian Peninsula even before the war ends-Norway is not letting up in her fight. But she is looking ahead and is planning not to be caught unprepared for peace.

In Washington, Hans Bull, former commercial counsellor for the Norwegian Embassy, has had much to do with Norway's postwar planning.

"Our reconstruction program," says Mr. Bull, "is not yet complete. We are in fact, just getting under way. Norway's full strength has been, and is being, directed toward helping de feat the Axis. But there are certain things which we know must be done to rebuild our country-and we have some ideas about how we'd like to go about it."

#### Must prevent starvation

BEFORE rebuilding can begin, Mr. Bull points out, Norway must act to prevent internal disturbances, unrest unemployment and starvation. Norway wants to restore her business industry, agriculture, transportation and shipping as early as possible. She wants to rebuild her productive facilities, develop her natural resources, restore her standard of living and help other nations restore theirs.

"Most urgent," says Mr. Bull, "is to give our people bread and butter. We must arrange to get emergency supplies into our land the moment the enemy surrenders—or withdraws from Norway. Otherwise our people will starve, half-starve or, at least, march backward for many years, even

Son

mus

generations.

"Huge stocks of food, clothing medicines and fuel are flowing out of America every day to the various military fronts. It may be that, to meet our most drastic shortages, some of those supplies which happen to be on the high seas when peace

NATION'S BUSINESS for December, 1943 NA

Every branch of the Armed Services uses the telephone. No. 9 of a series, Airplane Spotter.

acing the or re-

in her and is epared

Norto do
g.
"says
'e are
Norand is
g deertain
done
have
to go

n, Mr.
act to
nrest,
Noriness,
tation
e. She
faciliurces,
g and
ll, "is
utter.
gency

ment

draws beople

least,

hing,

out of

rious at, to

ages,

appen

peace



Somewhere in this global war, your boy may be watching the heavens tonight. He is reminded of the Star of Bethlehem and is resolved that he and his comrades will bring us a world ruled by the precepts of the Prince of Peace. We at home must continue to furnish them with all they need to make this dream come true.





He's counting on YOU!

To bring peace sooner — at lower cost in precious lives — he needs overwhelming superiority in weapons. Keep those weapons flowing to him by buying War Bonds regularly — till the day of final Victory

comes—and for which there will be no further military need—can be diverted to our shores for civilian use, and paid for at current international prices.

"It would be better to put some of those excess supplies to immediate use to help relieve suffering in 800,000 homes than to have them stored away in military warehouses perhaps for months or even years. Besides, it would help speed up the unloading of ships and make them more quickly available for carrying men and materials back to America or to the Far East."

Norway is about as large as New Mexico, and less than half as large as Texas. About a third of her 3,000,000 population live on farms.

In farm products, Norway was selfsufficient before the war, except for cereals (of which she imported 600,000 tons a year) and crops which can be raised only in warm climates. About 70 per cent of Norway's farm income came from livestock. Before the invasion, she had 2,000,000 head of cattle and horses, 2,000,000 sheep, and 1,000,000 goats and pigs.

Since the Nazi occupation, Norway's livestock population has been cut in half. The rate of reduction is now increasing, because of the growing shortage of food. Recently, Germany requisitioned 300,000 head of cattle.

Before the war, Norway had 4,000,000 hens and plenty of fresh eggs. Today, both chickens and eggs are almost impossible to find. The few chickens that remain are suffering from malnutrition.

Norway will look to America for

livestock with which to restock her farms—and for, at least, 150,000 good milk cows to help restore her dairy industry.

"In the United States," says Mr. Bull, "there are hundreds of thousands of Norwegian-American farmers who have a deep interest in the homeland and who want to have a part in its rehabilitation. These farmers, working through Norwegian-American organizations, are planning to raise Jersey and Holstein heifers to be sent to the farms of their fathers, brothers, cousins and friends in Norway."

The chickens with which to reestablish Norway's poultry industry could also come from America. This industry, it is estimated, can be rebuilt to its pre-war proportions within 18 months after peace comes by importing 60,000 selected pullets and about 6,000 roosters. The resultant eggs would be hatched in incubators on a mass-production basis, and the baby chicks distributed to the farms throughout the country.

Norway has always been a maritime nation—and has no intention of going out of the shipping business. Before the war, her merchant fleet was the third largest in the world, having passed Japan's late in 1939. Norway's cargo fleet, incidentally, was created entirely through private initiative, without government subsidy.

#### Shipping losses enormous

THE war has played havoc with Norway's shipping. Losses have been enormous. Not only has a large percentage of the country's ocean-going vessels been sent to the bottom, but almost all the coastwise and fishing fleet has been confiscated or destroyed.

Norway plans to rebuild her shipyards, and to build and buy new ships after the armistice. But to obtain tonnage for immediate use, she is hoping that arrangements can be made whereby the United States-instead of tying up her surplus cargo vessels (and paying for maintenance) as was done after World War I-will turn many of these vessels over to experienced Norwegian shipowners to operate on a long-time charter basis. Besides paying a rental fee for the use of the ships, the Norwegians would agree to keep them up-and to return them if and when the United States needed them in case of war.

Norway's factories have been taken over by the Nazis and, in many cases, the machinery and equipment removed and shipped to Germany. Norway's mines have been destroyed or partially destroyed. Power plants (Continued on page 73)



The Norwegians have always been a hard-working people, business-like—and prompt in paying their bills.

Before the war, Norway was a good world customer. Her annual imports included: 180,000 tons of wheat, 150,000 tons of corn, 135,000 tons of rye, 70,000 tons of barley, rice and miscellaneous cereals, 25,000 tons of peanut meal, 15,000 tons of soybean meal, and 40,000 tons of bran mash for poultry. Also 3,000,000 tons of coal, 3,000 tons of tobacco, 550,000 tons of petroleum products, 3,750 tons of cotton, 17,000 tons of phosphate—and many other products.

After the war, Norway will need all these things in increased quantities, and other goods besides, including food, medicines, seeds, fertilizers, cars, trucks, building materials, and almost everything else which American business men will have to sell.



#### WESTINGHOUSE BNGINEERING BERVICE

een er-

ing

out

ing

de-

ip-

ips

on-

ide

ad

els

725

rn

ex-

is.

ise

ild

rn

es

en

es,

re-

r-

or

13

A nationwide corps of engineers offers you electrical and production experience gained through years of working with your industry.

These men can give you assistance on these vitally important activities:

Production development: engineering of equipment to meet war requirements.

Maintenance: help in making existing equipment serve better, last longer.

Rehabilitation: redesigning and rebuilding obsolete equipment for useful service.

Material substitution: adapting available replacements for critical materials.

W. E. S. is available to all industries. Put it to use today on your production problems.



### Take-Off for Tokyo

To build superbombers that can carry devastation to Tokyo, and get back—to lift them up seven or eight miles high where flak cannot reach—requires more than giant size. It involves a whole new set of power engineering problems.

These sky giants—already on the way down America's assembly aisles—demand electrical equipment far more powerful than ever used in aircraft before. And power must be distributed over much greater distributed in most planes today, size and weight of the equipment would be excessive.

When the huge B-19 was being built for the Army, Westinghouse engineers pioneered in the development of higher voltage alternating-current system—the type used for transmitting power over lightweight lines to homes and office buildings. The installation was most successful—proving that smaller, lighter a-c equipment was practical for air-

craft, with vital savings in space and weight.

With this background of experience, plus the know-how gained in 50 years of applying a-c power for industry, our engineers were ready to tackle the problems involved in still larger planes.

New lightweight equipment had to be developed. The complicated electrical system of the modern plane had to be redesigned. Yet so swift has been the progress that the acequipment for tomorrow's superbombers is now ready for production . . . to speed the day of that "take-off for Tokyo".

This is W.E.S. at work—co-operative engineering effort to find the solution to any electrical problem. This service is yours for the asking. Westinghouse Electric & Manufacturing Company, East Pittsburgh, Pa.

Westinghouse
PLANTS IN 25 CITIES ... 9 OFFICES EVERYWHERE

### If It Can't Be Done, They Do It Co

By TOM MAHONEY

THEY WERE building the first electric power plant in the Belgian Congo, 600 steaming jungle miles from anywhere, when Engineer John R. Nowell got the bad news.

The metal dowel pins for fastening down the machinery were missing. Equipment already carefully checked was checked again without result.

"Well," Nowell said, "we'll make some."

There was nothing to make them



Nowell found the natives wearing his missing dowel pins in their noses

out of, of course, but they made them and had the plant running on time.

On his way back to civilization, Nowell saw a group of natives wearing some peculiar nose ornaments. Closer examination showed that the bizarre jewelry was his missing dowel pins. But he didn't need them then, so he just went on his way.

Nowell is one of a small group of General Electric engineers whose versatility and ability to get things done are playing an important part in keeping America's war machine rolling. Known variously as erecting engineers, contract service men and service engineers-General Electric has not yet devised a title wide enough to cover their various accomplishments the group numbered only 35 before the war, only 160 now. Although their contributions to victory are mostly behind the scenes, they are not so far behind that the men don't need uniforms to keep them from being shot as spies if captured. They wear, usually, the regular army officers' uniform with T.R., meaning "Technical representative," on the shoulder.

They go anywhere and do anything from installing radio stations to building wind tunnels or repairing battleship electric systems. Many are workADVENTURES of the front-line civilian technicians

who fix anything from turbines to elephant harness

ing on turbo-superchargers and airplane electric equipment.

Nowell, at the moment, is installing generators at Bonneville Dam but his colleagues are everywhere and proving themselves able to handle whatever kind of people they meet there.

When a supercilious British subaltern hesitated to cooperate because Charles B. Thomson, then elbow deep in supercharger grease, did not seem sufficiently old school tie, Thomson stopped work long enough to tell him:

"Listen, I used to be a captain in your obscene army." He was, too—Royal Air Force pilot for Lawrence of Arabia in the first World War.

Charles T. Cosser had an equally effective argument against Arabs in North Africa and the Near East. He was repairing superchargers, electric drives for gun turrets and similar things when he could get to them first. But the natives quickly dismantled any unguarded planes grounded at lonely desert or mountain points. A wing strip might roof a hut, or a bit of fuselage become an ornament. Forceful repartee failed to convince them that this was in error, but Cosser found a way.

"At small fields we slept on our guns."

But, among themselves, the group gives cum laude for sulphuric idiom to 60-year-old Charles Edwin Wilson who can verbally blast the roof off a thatched hut in six languages.

Wilson, not to be confused with men of similar name who are vice chair-



To keep the planes from being taken apart, the men slept on their guns

man of the War Production Board and president of General Motors respectively, learned his languages the hard way. Born in Cincinnati, he left high school to go to work in a freight office. He started with General Electric in 1907 as a member of the crew which installed the first motors in the Gary steel mills. Since then he has built or helped build a hydroelectric plant in Canada, another in Brazil and a radio station in Massachusetts. He has installed mining machinery and electrified a railroad in Chile, and put

Spotli

MAYB

the Ger

slant a

row. B

comma

is no s

his hai

ing wo

ing tho

to finis

close t

"He

now ar

the Ge

shall's

of Sta

kindly,

in his i

sixsho

in wha

nowad

the ru

Noth

GENE

-the

case C

They

"Bu

our set

ers an

There

We ha

with 1

police

home.

ery vi

but th

Gern

IN HI

the fe

withd

Quere

1944.

Carry

from

ceded

NAT

The

open

The



Murphy stuck his head out. "Go on," he said, "and fight somewhere else!"

electric equipment in a Norwegian zinc plant.

In Chihuahua, Mexico, when Gen. Ynes Salazar's revolutionaries moved in, he saw a soldier steal a watch belonging to his landlady's small son and stepped nimbly aside when Salazar shot the culprit.

He was still in Mexico when American troops occupied it in 1914 and left on a train that was briskly peppered with Mexican bullets.

More recently he was boss engineer of all the General Electric work in Russia during the feverish reign of the Five Year plan. Among other things he built two steel mills in Siberia, the Stalingrad power system and the Dnieper River power project.

"When the Russians built the Dnieper Dam," he says, "they left space for explosives to blow it up. This is the usual European construction. Practically every dam and bridge has

(Continued on page 102)

## It Capital Scenes...and What's Behind Them

#### Spotlight from the past

MAYBE if you'd go back 25 years, said the General, you could get a pretty good slant at what is going to happen tomorrow. Black Jack Pershing was then in command of our army in France, and it is no secret that the politicians were in his hair. The world was filled with roaring words when the General Commanding thought the way to finish a fight was to finish it. George C. Marshall was as close to Pershing in a military way as any man in the army.

"He gets up to Walter Reed Hospital now and then to see his old chief," said

the General.

ians

ness

d and

spec-

hard

high

office.

ic in

vhich

Gary

ilt or

nt in

radio

is in-

elec-

on,"

se!"

gian

Gen.

oved

be-

Son

Sala-

neri-

left

ered

neer

n of

ther

in

tem

ject.

the

1eft

Chis

ion.

The significance of this is that Marhall's influence in the Combined Chiefs
of Staff is very great. He is a gentle,
kindly, firm man without a trace of hate
in his makeup. He and Pershing learned
how to soldier in the days when a Colt's
sixshooter was the most important tool
in what we call psychological warfare
nowadays. If an enemy did not obey
the rules of war he was taught better.

#### Nothing short of victory

GENERAL MARSHALL once observed—the authority is hearsay—that a good case can be made for our early Indians. They were here first, they lived in the open air, and their family life was fine.

"But when they got to yelping around our settlements and tomahawking farmers and women they had to be trained. There was only one way to train them. We had to have permanent peace."

The Combined Chiefs of Staff agree with him. In a nation as thoroughly policed as Germany the popular morale

may be as low as the bottom of a well but there is no chance of a revolt while the Army is in being. The defeat of the military power can only be achieved by the destruction of productive power at

productive power at home. It may be necessary to smash every village. That is hard on the civilians but they are a part of the army.

#### Germans caught in the door

IN HIGH QUARTERS, says the General, the feeling is that the Germans will not withdraw their garrisons in the conquered countries before the spring of 1944. Then they will come with a rush. Carrying with them everything loose, from food to doorkeys. This will be preceded, he thinks, by the return of

wounded and sick prisoners of war. This process has already started.

"No matter how much we bomb German towns only the doughboy can win the final victory. The tough G.I. on his tired feet."

On its own soil the German army can make a long delaying fight. He fears the war will be longer than most of us realize. The standard German plan is to ask an armistice when victory becomes impossible, but the Moscow conference spiked that. The promised return of war criminals to the invaded countries to stand trial for their crimes and the return of the loot changed the situation.

"Unless the Allied politicians turn

He does not think they will. The Combined Chiefs of Staff are pretty ardent in opposition. That clause in the Moscow agreement stemmed from them.

#### While that's going on-

THE ALLIES will find themselves with a new set of problems. Every occupied country, says the General, will probably

blow up in some kind of a revolution:

"Blood debts to be collected, new governments to be formed—"

If every one would be nice, he said, and let the exiled kings and queens come back to

their thrones all would be well. But it is known that a great many folks will not be nice. That pot is full of hot politics, and might boil over here. The Allies can hardly use force against their divided friends and the more food we give them, the stronger they will become in their differences. Besides which there will not be enough food.

#### 1944 will be a tough year

DISREGARDING the daily output of printed and spoken words it is accepted that 1944 will be an unpleasant year. Perhaps not as tough as we will think it is. Most of us have family histories that stretch back to acorn coffee and root-hog-or-die slogans. Americans took it then and didn't like it and they will follow the same routine in 1944.

There will be less to eat. We shall not go hungry but some of our taste buds are likely to wither. If there should be even a partial crop failure next year conditions might be really unpleasant. When peace comes we will get even less to eat because the starving peoples of Europe must be fed. It is not yet certain how much of the needed food we can get

from South America. Germany will have what amounts to an option on the Argentine product and Argentina seems at the moment to be the only south-continent country which will have plenty.

We could, of course, refuse to let Germany buy food, but it is not likely that we will. Not so many promises are being made nowadays. Bernard Baruch has made his point—that it is unwise to sign notes you can't meet. It took him a long time, but no one can say that he didn't keep at it.

#### More committees are coming

INDICATIONS are now that Congress will add a few committees to the many which now spot the landscapes like prairie dog houses. Some postwar demobbing committees and catch-the-rascal posses and so on. That ought to make it good:

"But we've got to do it," said one of the prime movers. "Somebody's got to

get order out of this mess."

Meanwhile bootlegging of good liquor is flourishing. Every one of the heads of government who are supposed to agree on things had agreed that it would be wiser to let the liquor flow a bit and so avoid some possibly mild form of the bootlegging epidemic. Then Marvin Jones changed his mind. This was after the orders had been mimeoed and were ready to send out. So we might have a committee to look into the whisky business.

#### Where do they get the sugar?

DOWN SOUTH, where folks really know how to make moonshine, The Law appears to be having an easier time

than during the prohibition era. In those days it was routine for The Law to crawl through the mud, getting bugs in its ears, in the search for stills. Nowadays The Law just flies over the



country. "Wherever we see sugar sacks drying out after they've been washed we light"—is the report—"and get our man."

No one has yet reported where the sugar comes from. It is a fact, of course, that there are mountains of sugar in the south-continent which run almost as high as the Andes. But we are still being rationed on sugar.

#### Life in a whirlpool

THE GENERAL'S nephew came to see him the other day. A young fellow, filled with the speed of the West, inclined to think of the General as a diplodocus, and as reverent of our big shots as he is of Indian medicine men:

"I like Johnny Two Dollar better, maybe. He gives you the full rites and ceremonies for your two bucks, but at least he winks at his friends when he goes into his dance."

He says the General has been swimming around and around in the Washington whirlpool until he has forgotten



### "Getting Down to Brass Tacks"

All of our lives we've heard the expression, "getting down to brass tacks". To Milady of another day it meant that the storekeeper "got down" to a row of brass tacks and painstakingly, accurately measured the yards of "finery". Today, we"get down to brass tacks" for the unquestionable truth.

When a treacherous enemy struck at America, the nation demanded two absolute essentials - adequate mass transportation and power to run the furnaces of war.

Getting down to the brass tacks of transportation, meant the railroads. Military authorities and industry did not have to wait for them to get ready. They were ready.

Getting down to the brass tacks of power, meant bituminous coal - this nation's greatest source of power. Since Pearl Harbor, coal has furnished more power to run more industries that have produced more and better weapons of war than all the enemy nations.

Railroad transportation is essential trans-· portation. Bituminous coal is essential power. Both are vital to Victory. And when Victory is won, and America gets down to the brass tacks of peace, both will be contributing their full share to the continued development of the nation.

The Norfolk and Western Railway, one of the country's great coal carriers, is proud to be a part of this great combination that is working for Victory and a better world for all mankind.

### Norfolkand Western Railway

the folks on the banks. Slightly dizzy,

#### This is not isolationism

"I'M TELLING you," he said to the General, "the folks I know out west think you people in Washington are



growing to tassle instead of kernel. What they want is the end of this war and a reasonable assurance of future peace and to get the boys back home again. They think this can be done

without putting American provost guards in European post offices."

"Who do you know out west?" "I've gone to two colleges and worked in six states and when I go back to camp after this furlough I'll be talking to a lot of guys that get letters from home. We're pretty dam unrecon-

structed Americans out west, Uncle." "Say 'Sir' when you speak to me. Dammit, you're just a boy."

#### He likes our little shots

THE GENERAL'S nephew approved of some of the underlings in government. They are not trying to hatch all the eggs this world has laid. Some of the eggs have been spoiled for 1,000 years, he says, and no loving hen can spread wide enough to warm them. Over in the Department of Commerce he found some statisticians who suited him:

"They're figuring on the business angle. They say that if the American business man does not get busy he'll be skinned like a rabbit."

They think he can get the protection if he makes enough fuss. Already the departments of State and Commerce are considering the return of the commercial attachés to world capitals. They were called home some years ago and they have been missed. Both Cordell Hull and Jesse Jones are looking into this matter, although both are up to their ears in war business.

#### 1948 is the money year

SOME of these statisticians say the world will need so many things when fighting stops that our own production

may touch \$175,000,-000,000 at the 1942 price level. Plenty of good business, says the General's nephew, private first class, 26 years old, likely to be a sergeant most any time, and no more of

an internationalist than Winston Churchill, is the best assurance of future peace.

These statisticians do not forecast \$175,000,000,000 business in 1948. They are cautious guys. But they say it is conceivable. They say we make so many things better than any other country that the European countries on both sides of the fence and the South American countries will rush here to buy."

These countries have gold and dollar

balances over here with which to do the buying. Our export business alone in 1948 might touch \$10,000,000,000. The statisticians say government will be obliged to continue watch-and-ward over business for a time. But they think that the quicker American business men get out from under the government hand the better for all of us.

#### Get out of the gravy bowl

THESE REALISTS told the youngster that the business men who get to Washington nowadays think mostly of gov.

ernment gravy. They are too busy to look far ahead:

"One commercial lawyer said he has stopped trying to sell worries to his clients. They won't buy."

Occasionally a business man is really trying to put his house in order. Not as many as you would think. Most of this thinking is being done by the small man, who has been hit so hard in the past two years.

#### Coal business is a sample

ONE OF THESE men talked off the record to a group of coal operators. The future as they saw it was filled with miseries and John L. Lewis. "You'll have to snap out of it," he told them. "You have been digging rocks out of the ground and loading them on flat cars. There's more than that in your business."

He suggested that plants might be erected at pit mouths for the processing of coal. Gas could be piped out and coke shipped and the smoke nuisance in nearby cities abated. The residue could be worked up into plastics out of which could be made stockings and dresses and furniture and pre-fab houses and a thousand other things. Most of the operators yawned. One came to him:

"I'm going to look into this. A few million dollars would make a start."

#### Sure sign of victory

SOME of the small conquered and occupied countries want to be accepted on even terms with the Big Four, said the General's nephew. They say if they are not taken in they will scream like pan-

"It's all right," said the General. "Just as it should be. If these differences are brought into the open now they will be settled now. If they become a postwar hangover they never will be settled, they will always be an irritant, and maybe the enemy can find in them a crack through which he can creep."

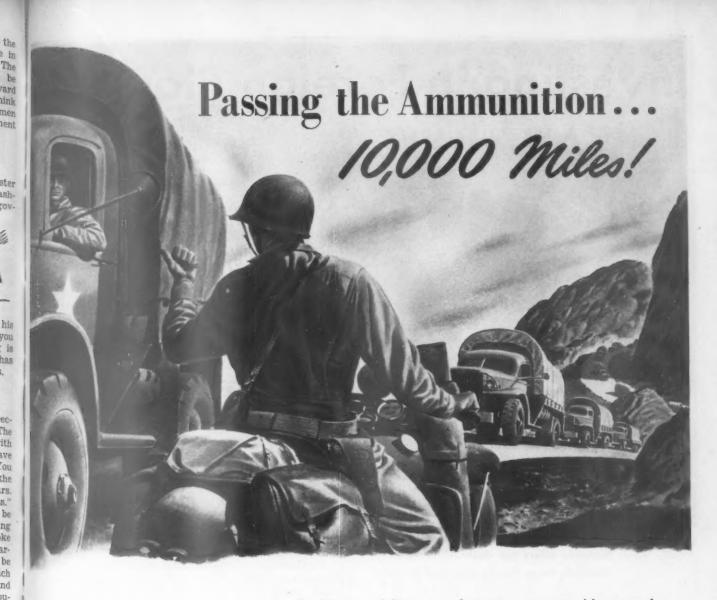
Also these present differences are the surest guarantee of victory. A man about to be hanged, he said, does not worry about the debt he owes his tailor.

Herbert

HGUR

NAT

NATION'S BUSINESS for December, 1943





il-

he

n-

st

re be

ey

#### **Norden Bombsights**

Years of experience in precision manufacturing enabled Burroughs to render an extremely important service to the nation by producing and delivering the famous Norden bombsight — one of the most important and precise instruments used in modern warfare.

New figuring and accounting machines are also produced by Burroughs for the Army, Navy, U. S. Government and other enterprises whose needs are approved by the War Production Board.

In this war of distance and movement, ammunition must be transported far and fast.

In a day's combat, a single anti-aircraft, gun may use more than a ton of ammunition; an infantry division on a global fighting front may expend 300 tons of ammunition.

What kind of ammunition? How much ammunition? Where does it go? When must it get there? The answers to these questions must be written in figures.

Figures that flow through arsenals, war production plants, transportation and supply lines, and government offices.

Figures that must be accurate and obtained quickly, because guesswork and errors might have to be paid for with lives.

That thousands of the machines providing these figures are Burroughs machines is only logical, for Burroughs has long predominated wherever fast, accurate figuring is required.

BURROUGHS ADDING MACHINE COMPANY, DETROIT, MICH.

## Burroughs

\* BUY MORE WAR BONDS \*

AGURING, ACCOUNTING AND STATISTICAL MACHINES . NATIONWIDE MAINTENANCE SERVICE . BUSINESS MACHINE SUPPLIES

## **Investing in Foreign Plants**

By MARCUS NADLER



BLACK STAR

Business offers the destitute of stricken countries more than a dole can promise

T IS GENERALLY ASSUMED that the United States will play an important role in the postwar economic reconstruction of the world and in the development of the resources of retarded areas.

Some believe that the Government will continue to spend huge sums abroad to enable the various nations to regain their economic equilibrium. This is not likely.

At the end of the war the public debt of the United States may range between \$250,000,000,000 and \$300,000,000,000. Taxes will be burdensome and there will be general clamor for tax alleviation. Hence, although the Government will undoubtedly provide relief for the destitute in the immediate postwar period, it is unlikely that it will be in a position to spend large sums to restore national economies abroad.

Neither are we likely to assist other nations through the floatation of foreign loans as was done at the end of the last war. In the first place, America's experience with foreign bonds has not, on the whole, been satisfactory. Furthermore, it is doubtful whether many countries would wish to float loans in this country because of the difficulties that are bound to arise in connection with servicing them.

It is probably just as well that these two avenues of assistance should remain closed. No nation's standard of living is raised by either handouts or charity.

Fortunately this does not mean that the United States cannot aid in the economic restoration of the world. A

AMERICA can best help in the economic rebuilding of the world, says this business adviser, not by making foreign loans but by establishing factories abroad

third and most effective means of assistance remains a method which will lead not only to the better use of raw materials throughout the world, but also to an increased efficiency of labor and to an increase in the standard of living.

That method is direct investment—the establishment of factories abroad by American corporations either alone or in cooperation with local capital.

The postwar period in the United States will be propitious for such a development. In the first place, this country will have excess productive capacity. In many instances, the plants will still be in good condition but outmoded by new inventions. Unprofitable to operate in this country where labor costs are high, they can still be used efficiently in others where wage scales are lower. American corporations will, therefore, be eager to transfer at least some of these older plants to countries where they may be used profitably.

Furthermore, postwar taxation is bound to remain high in this country, although lower than at present. In many parts of the world, however, particularly in the economically retarded countries, corporate as well as personal income taxes are bound to be lower. This factor, too, will induce American corporations to establish branch factories abroad, as will the fact that young Americans scattered all over the world will be far more familiar with foreign customs and business methods than Americans have ever been.

Foreign nations will try to attract American direct investments for several reasons:

First, because such investments tend to increase the productive capacity of a country, lead to more intensive utilization of raw materials, increase the efficiency of labor, and raise the standard of living.

Second, direct investments tend to minimize and materially reduce the transfer problem.

When a nation obtains a loan abroad stated in the currency of the creditor country, it is immediately under the obligation to remit foreign exchange for the purpose of meeting the debt service. If it does not, the country is in default and this, in turn, has an adverse effect on its credit standing.

MC

On the other hand, when an American concern establishes a branch factory abroad, it does not expect it to reach the break-even point immediately. It takes some time before this is attained. Even after the foreign branch or subsidiary begins to show profits, these are not immediately remitted to the United States but are



Cooyright 1943. The Pullman Com

## does Daddy walk in his sleep?"

MOTHER: Not walk, Bobby. I said ride. Daddy's riding in his sleep tonight so that he can wake up somewhere else tomorrow morning.

mic

less but

nse of inthe nent ther

prothis any but rate still wer.

anshere

nain t. In the l as tor,

lish

ung

ore

ods

in-

oro-

sive

y of

ma-

the

der

our-

un-

fect

ab-

t to

ome

ign are are 43

BOBBY: Riding what? A horse? I wouldn't ride an old horse with my eyes shut! And why did Daddy go away?

MOTHER: Whoa-a, there. One question at a time. Daddy's riding a Pullman. He'd look pretty funny on a horse, with his briefcase flapping as he bounced around. And he's away because there's a war. Daddy has to go places on business to help win it.

BOBBY: Why? I thought soldiers-like Uncle Dan-were to win the war.

MOTHER: Men like Daddy, too, who help to make things that our soldiers need to fight with.

BOBBY: Are there soldiers with Daddy tonight? Riding on that Pull-a-man?

MOTHER: Lots of them, probably. And lots more on what they call "troop trains", with Pullmans specially for soldiers.

BOBBY: And do those soldiers walk-I mean ride-in their sleep? Like Daddy does?

MOTHER: Yes, dear. That's what Pullmans are for. So people can sleep while they go from one place to another instead of sitting up all night and getting there tired out.

BOBBY: Gee, Mom, I'd like to ride in my sleep! Can't we go on a Pull-a-man?

MOTHER: We will go, son. Lots of times and lots of places. But not 'til the war is over. Right now, our place is

here at home. Even over the holidaysinstead of going to Grandma's, as we'd like to. We'll leave those Pullman beds for people like Daddy-who have to travel -and for men in uniform like Uncle Dan -who might get a holiday furlough!

#### Note to wartime travelers:

Trains are crowded and Pullman space sometimes hard to get, but when you must travel, try to go Pullman by all means. Then you'll have a place to sit and a place to sleep that are all yours straight through to your destination. And you'll be leaving coach space for necessary travelers who can't afford the privacy and comfort you'll enjoy.

BACK THE ATTACK - WITH WAR BONDS \*

transportation—your assurance of comfort and safety as you go and certainty that you'll get there

plant facilities.

Third, even where the profits of a foreign branch factory or a foreign subsidiary cannot be remitted because of exchange difficulties, it does not lead to default and hence has no effect on the credit standing of the respective country.

Direct investments may assume various forms. The establishment of branch factories owned and operated entirely by a corporation in the United States: This usually takes place where the branch is relatively small or where there is not sufficient capital available in the country to participate in the enterprise. Often it also takes the form of the development of certain raw materials, in which case the government of the respective country receives a royalty from the production of the commodity.

The second method is for American corporations to acquire a stock interest in an already existing corporation. As a rule this takes place in countries which are already industrially developed but where the local capital market is weak. American corporations will undoubtedly follow this method in Europe. There the capital available for reconstruction and modernization of plant and equipment will be small indeed. Many of the existing corporations, therefore, will try to attract capital through the sale of equities to American corporations, which in turn will, if necessary, raise the

capital in this country.

The third method is to form a corporation owned partly by Americans and partly by local investors. The foreign capital is used for the purpose of acquiring machinery and equipment and all other products that have to be imported. Local capital is used for the acquisition of sites and for that portion of the working capital which must be met in local currency. The system of joint ownership is by far preferable to any other method of direct investment. It removes agitation against foreign enterprise as well as the stigma of foreign imperialism; it leads to a much better understanding between the business enterprise, the government, and the nationals of the foreign country; it alleviates materially any transfer problem that may arise, since only a part of the net profits are remitted to foreign in-

This system of joint enterprise could be used effectively in Latin America as well as in certain parts of the Far East, notably China.

#### What investors want

HOWEVER, before American corporations invest considerable sums abroad, they will insist on certain prerequisites:

Most important of these is political stability nationally as well as internationally. If a period of great political uncertainty follows the war, capital obviously will be reluctant to venture abroad. The same will also be the case if internal political conditions in certain foreign countries are unfavorable.

Legal assurance that no discrimina-

used primarily to improve and enlarge tion will be made against foreign investments is also absolutely essential. Unfortunately in certain Latin American countries trends of discrimination against foreign investments have become apparent in recent years. It is obvious that no American corporation will invest in a country where discriminatory laws seem likely.

A third requisite is a stable currency which will enable the American corporation to remit whatever profits are available for distribution to the stockholders in United States currency. There is reason to believe that political stability will prevail throughout the world at the end of the present hostilities and that the United States will take measures to prevent a recurrence of what happened during the period between the two wars. It is also reasonable to assume that most nations will be so eager to return to a more normal life that a prolonged period of internal tranquillity will follow this war. Since most foreign nations will be dependent on foreign capital to a large extent for their economic development. one may also expect that the necessary laws will be passed which will insure American investments against discrimi-

If these conditions materialize, therefore, one may expect a considerable exodus of American capital in the form of direct investments. It would be highly desirable if this exodus could be channeled along sound economic lines to prevent duplication of plant and equipment which might have adverse effects on the country receiving the foreign capital as well as on the corporations placing their funds abroad. It would also be desirable that American direct investments in foreign countries be based on available raw materials as well as on availability

If postwar restoration takes this form. the end of the war will offer to the United States economic possibilities similar to those offered to Great Britain at the end of the Napoleonic Wars.

The British utilized their opportunities to spread their investments all over the globe. They assisted in building railroads on the European continent as well as in the Western Hemisphere. They played an important role in developing natural resources in overseas countries and branches and subsidiaries of their financial institutions encircled the globe These direct investments not only tended to raise the standard of living of the accepted countries, but the income derived from these assets constituted an important factor in the British balance of payments.

Direct investments if properly handled will also exercise a powerful influence on business activity in this country because, contrary to the general belief, the industrialization of a nation leads to an increase in its foreign trade.

#### Solving a War Emergency Problem

ELECTRIC Vacuum Cleaner Co., Inc., of Cleveland, Ohio, one of the largest vacuum cleaner manufacturers America, was producing and selling a large volume of home and industrial vacuum cleaners through its 16 branches and national dealer organization when all further production was banned to save metals vital to the war.

This production stoppage not only jeopardized the possibility of continued operation of branch houses, but it would mean the loss of their trained personnel, and deprive hundreds of employees of

"But that was not all," declared J. B. Buckley, the firm's comptroller. "Of even greater moment, we might lose our retail dealer organization, obviously, a tremendous loss. Besides, we owed our millions of customers-housewives and industrial users all over the country-a service debt necessary to keep these labor-saving devices in safe and economical operation. Moreover, when the war ends, we will need all our trained salesmen, skilled workers and distributing agencies to get back into civilian production.

But until that day arrives, the company realized that the war effort would be helped immeasurably by conserving all of the labor-saving devices in the homes of American workers and on the farms. Out of these real needs, the company developed a pre-planned repair department with each local branch manager made responsible for his territory.

The plan worked-far beyond expectations. Instead of being only self-sustaining as originally expected, it is earning profits and is saving many a dealer from failure

The outstanding factor here is the complete lack of selfish motives. The company left the door wide open, even invited competitive dealers to join in the

So well did it work with the company's own branches and shop-equipped dealers that a new and more far reaching plan was launched to enable hardware, furniture and department store dealers, as well as public utility companies to use their repair service, providing that they had no equipment or facilities to operate a repair shop of their own.

Under the plan, the store dealer acts only as agent for the repairs. The Electric Vacuum Cleaner people make the necessary repairs, allow the dealer a fair handling profit. In each case, the dealer handles the delivery or transportation of the unit to and from the repair

The public is offered, through newspaper advertisements, a completely overhauled cleaner for a low price. The need for this service is shown from the fact that several retail merchants had calls for 100 or more units to be rehabilitated, while in one case there has been as many as 600 orders. Finally it proves that both industry and service operators are doing a great job on the home front to make it hot for the Axis. -A. E. HOLDEN

BASIC AERONAUTICAL RESEARCH in the laboratories of the National Advisory Committee for Aeronautics at Langley Field, Va., uses Ciné-Kodak to study airfoils and air currents—through "smokeflow movies" made in wind tunnels—

and fuel combustion in aircraft engine cylinders. These movies, showing what the eye can't see, lead to design refinements—in aircraft and engines—which "pay out" when the guns begin to chatter or the bombs find their mark.

## KEY TO SECRET WEAPONS ... a movie camera\_



## Ciné-Kodak \_which stretches split-seconds into minutes

WORKING BLIND"... trying to improve a plane or gun or projectile which moves so fast you can't see it . . . is necessarily a slow, fumbling business. In time of war, not good enough . . .

pre-ment n the tal as their rable ts in ilable bility form. the lities ritain nities r the rail-Well They ping tries their lobe. nded the ded an ance idled e on beo an

pecsusarn-

aler

The

even the ny's lers

olan fur-

, as

use

hey

ate

ects

lec-

the

the

or-

air

WS-

ereed

act

ills

ed, ny

oth

ng

ke

EN

43

Fortunately, back in 1932, Kodak made available to our best engineering and scientific brains a new kind of eye . . . which could see what goes on at blinding speed in our mechanized, electrified world.

This eye was a movie camera for taking thousands of pictures a second-which could then be shown at normal movie speed of 16 pictures a second. It "magnified time." In the resulting movies, action which had actually occurred in a splitsecond was stretched into minutes.

Research scientists used these cameras to help develop faster airplanes, more powerful motors. And, with the approach of war, to find out why a machine gun "jammed"-and fix it; to "take the bugs out" of the recoil mechanisms of bigger guns; to pack a more effective "train of





NOT "OLD FAITHFUL," but "stills" enlarged from movies made at 2500 pictures a second, showing the comparative efficiency of two designs in fuel injection jets. The superior distribution of fuel from the jet at the rightinvisible without the movies-is the type of small improvement which helps our men write America's fighting record in the air.

fire" into a contact bomb . . . examples are numbered in hundreds.

Your 16-mm. home movie Ciné-Kodak was the "jumping-off place" in designing . Eastman's super-speed movie camera, which takes 3,000 pictures a second-the film streaking through at over 50 miles an hour. The "shutter" is a spinning "prism"-speed 90,000 r.p.m.

At this incredible speed, this Ciné-Kodak makes good movies-with standard 16mm. films, Kodachrome included, and has become a most effective military tool . . . Eastman Kodak Co., Rochester, N. Y.

REMEMBER MAJOR HENDERSON? . . . how Major Lofton Henderson, USMC, flew his crippled bomber right down onto the Jap carrier's deck? And how his name was given to that bomb-scarred field on Guadalcanal? It is a stern example for us at home.

BUY MORE WAR BONDS.

Serving human progress through Photography



Foreman Myron Burt uses sign language to instruct Willys-Overland's silent workers

## **Building Lives and Weapons**

By VERA LUNDQUIST

"JAMES E. TRAINER, Vice President in charge of production, Firestone Tire & Rubber Company, calling F. D. Rea, Director of Goodwill Industries—Go ahead, Mr. Trainer!"

"Hello, Mr. Rea! Trainer talking. I've just been watching the operations along the barrage balloon production lines today and I believe we've got a job there that some of your handicapped men can do. Will you come over and look?"

Would Mr. Rea come over and look? For months handicapped persons in the Akron area had been calling Mr. Rea for some kind of work—any work—to help in the war effort. Here was a chance to do something!

Mr. Rea saw possibilities for the blind. He sent several such persons to Firestone for a production test. Nine of them are now working—two men and seven women. The operations include fraying and combing the ends of rope, patching in barrage balloons

THE ABILITY which handicapped workers are proving in war work points the way to job opportunities for disabled veterans

and reinforced loops for rigging. These workers learned quickly. Their efficiency produced a high degree of workmanship. Seeing-eye dogs help them to and from the plant.

Michael Supa, totally blind since the age of two, has recently been elected to the executive staff of International Business Machines.

"For several years," Mr. Supa says, "I have been studying ways by which others like myself might become independent. I am convinced that industry holds the key to this problem. I wanted to prove this theory and a

friend introduced me to Thomas J. Watson, President of International Business Machines, who has been interested in helping the physically handicapped for many years." If the ourse We the la

neede comp

Ma They friend to a l

to des

Bu

Ev

cally,

tant o

thoro

produ

At

cheap

has o

NAT

Mr. Supa, who will coordinate for IBM a broad program for developing jobs

for the blind, crippled and other handicapped workers, went into the factory and worked at various jobs to determine which ones the blind could do successfully. On some machines minor changes were made to adapt them for blind workers. He now assists in hiring and training blind persons.

Here's a worker in a machine tool plant—one hand crippled.

Sam tells us, "After the accident which blew off part of my hand last year I didn't know what would happen when the Workmen's Compensa-

46



If the picture looks as if we were shaking hands with ourself—well, we are.

We do not make the metal magnesium but we are the largest fabricator of magnesium. We make the castings, tubing, sheet and other commercial forms needed by industry. We know magnesium, as few companies do. We believe in its future, fervently.

Magnesium and aluminum have much in common. They are both flightweight. Each is the other's best friend as an alloy. Each has become much better known to a large number of people who have recently learned to design and fabricate it. On many jobs they could be interchangeable, if lightness and strength were all that mattered.

But they also have major differences. One, specifically, is their economics.

3i-

3i-

æ

ed

to

Even the most similar materials usually have important cost dissimilarities. This is a fundamental to study thoroughly when imagineering postwar job-making products.

At this moment, ingot magnesium is actually cheaper than ingot aluminum, per cubic inch. This fact has caused much loose thinking about the use of

magnesium. Actually, most fabricating costs on magnesium are so much higher that the commercial forms used by industry will in general continue to be considerably higher in price per part.

With both aluminum and magnesium totally drafted, they are now specified with regard chiefly to their relative weight. Between the two, the peacetime choice, however, will usually be determined by the question—how much can we afford to pay to save a pound of weight?

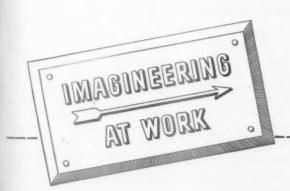
There is always a right answer to that question—as between aluminum and magnesium.

Costs must be as clear—and accurate—in the minds of Imagineers as any physical, chemical or electric characteristic, if Imagineering is really to pay off in terms of sustained postwar employment.

Because—if a lot of people are to be employed making a lot of new things—these things must be priced within the buying power of a lot of customers.

War-born economies of both aluminum and magnesium do promise lower costs for making things light.

ALUMINUM COMPANY OF AMERICA, 2125 Gulf Building, Pittsburgh, Pennsylvania.



## Alcoa Aluminum



tion expired. But here I am back at work with my old boss after being off only five months—I was told I could still help in the war effort if I'd take a training course. And I know my work is standing up with the rest of the fellows'—boss told me so. Now I've got a part in war work!"

#### Training takes longer

IN the race to outproduce the enemy and at the same time build an army of 11,000,000 men, more and more firms are turning to the physically handicapped as a source of manpower.

In Massachusetts alone 551 persons with physical handicaps which were once regarded as disqualifying them for employment were placed in jobs in one month and that figure is run-

ning higher now.

Lockheed Aircraft Corporation, which formerly employed only ablebodied men, now has 15 totally blind persons and has established special services to handle relations with this group. They report that hiring and training blind workers takes longer than for normal workers but, once they are familiar with the job, their accuracy is greater, particularly where finger dexterity and sensitiveness are required.

At Consolidated Vultee Aircraft Corporation, more than 700 physically limited persons have taken their places on the assembly lines. Their immediate supervisors report enthusiastically on the quality of their work, pointing out that their attendance record is superior to that of normal workers.

Vega Aircraft Corporation has "hundreds of physically handicapped men and women employed right now."

For many firms, the employment of physically handicapped

workers is not new.

As far back as 1929, Western Electric Company conducted tests to determine the employability of such persons. For a year the company kept careful statistical records comparing the production, attendance and liability to accident of 652 physically handicapped persons

with that of 652 able-bodied persons. On the showing made, Western Electric now hires physically handicapped

workers when possible.

Ford Motor Company has long employed handicapped workers. Among their 12,000 so-called disabled, almost 50 different labor impairment classifications are represented.

The Salt Lake City branch of Eitel-

McCullough Radio Tube plant is employing a number of blind persons. Every job is adapted to the individual and, in some cases, special equipment and apparatus has been built.

The Solar Manufacturing Company of Bayonne, N. J., recently praised their blind workers with a full-page advertisement, "Hands That See," telling how blind workers were sorting mica sheets more quickly and accurately than the job had ever been done.

Willys-Overland Motors, Inc., has a crew of "silent soldiers"—deaf mutes—working on jeeps. Instructions to these men are given in the

sign language.

Employment of "silents," as they prefer to be called, is no innovation to the Goodyear Aircraft Corporation in Akron, Ohio. The parent company, the Goodyear Tire and Rubber Company, began the practice in World War I when more than 1,000 of them were on the pay roll. Many have remained with the company to earn their 25-year pins. The more than 350 "silents" now on the aircraft production lines are listed among the plant's most assiduous workers.

Goodyear has no special aptitude tests for "silent" applicants for work.

LEMONADE 52

"I can't wait on you right now. I'm up to my neck in government forms"

They are hired and assigned in the usual manner except that they are interviewed through an interpreter in the Labor Department. Management finds that they can handle any job on the assembly lines or in parts manufacturing if given the proper training.

"These people," says W. C. Wright, Manager of Supervisional Training,

"seem to be more alert; they take instructions more readily and follow these instructions more closely than the average employee."

Remington Arms Company, Inc., reports that they have fitted a number of handicapped persons into their operations. The most striking case is that of a totally blind youth who is employed as an inspector. His duties involve a tactual gauge in which he slides a cartridge case—determining by its passage through the slot whether or not it is the right size. His progress has been rapid and he mastered the work more quickly than many persons with normal sight.

Remington Rand has numerous employees with only one eye and a great many with crippled legs or hands.

#### Postwar pointer

ONE of the company's eight plants has approximately 150 persons with the sight of but one eye and nearly 100 crippled in some degree. The company relies upon its own medical department to recommend each applicant for work he is qualified to do.

Weston Electrical Instrument Corporation has found the handicapped workers determined to prove their

ability and to make a place for themselves—they do not expect to become postwar casualties.

Weston has employees with one arm; with paralysis of an arm, acute arthritis of the hands or legs; victims of infantile paralysis who can walk only by means of crutches.

The experience in employing and training handicapped persons is going to help in postwar adjustments. Of the 12,000,000 Allied soldiers wounded in World War I, 234,300 were Americans. Comparing the size of that war with this one, gives an idea of the size of the employment and rehabilitation job industry will face with peace.

Th

Mo

mont

Addr

mone

The 1

mone

chine

and :

Ev

supp

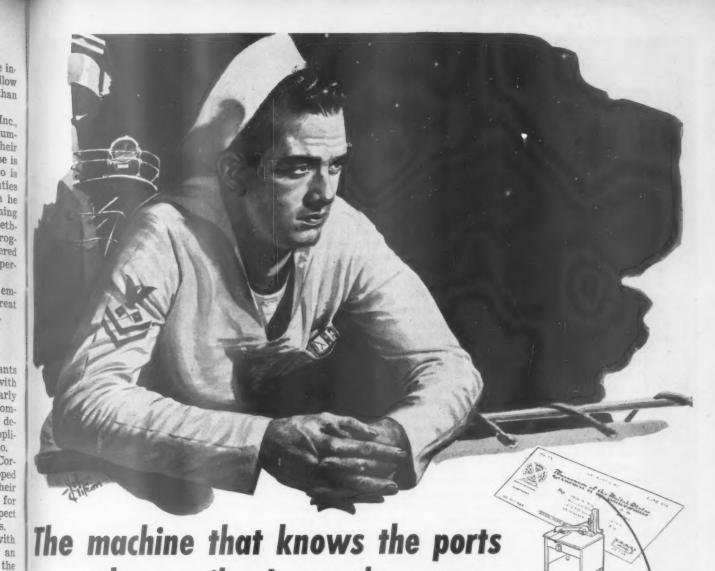
with

exact

Nav

After World War I, France and Germany passed laws making it mandatory for employers to recruit ten per cent of their employees from among the wounded. In England, although no laws were passed, employers were asked to hire one disabled

veteran for every 20 employees.
Our boys are fighting for democratic principles. And in a democracy every willing person should have an opportunity to work. Business foresight and planning now will forestall a lot of discouragement and heartache among these wounded men by making it possible for them to become useful members of society.



where sailors' sweethearts are

The Navy never forgets.

in-

ing

er-

war

000

orld

ans.

war

ı of

and

will

nce

ak-

ers

neir the

ugh

rers

oled

rat-

ev-

an oreill a che ing

43

Most sailors want part of their pay sent each month to wife or mother. The Navy uses Addressograph\* machines to make sure the money goes out promptly — and correctly. The name and address of the one to get the money is handled on Addressograph machines like the ones you use in your office and factory.

Every month these machines take a supply of blank checks, write the checks with amount, name and address always exact. This is only one of many ways the Navy and Army use Addressograph.

Broaden your picture of Addressograph to include check writing, tool crib control in factories, production control systems, payroll writing, record keeping of many kinds, and hundreds of other office and factory methods that save time, assure accuracy, release needed manpower, and save money. Addressograph (and Multigraph\* and Multilith\* machines, made by the same company) are the modern way to simplify and save by systems and methods. Trained men near you can show you how to get more value from these machines you already have. Addressograph-Multigraph Corporation-Cleveland and all principal cities of the world. \*T. M. Reg. U. S. Pat. Off

Addressograph

SIMPLIFIED BUSINESS METHODS

## How to Stop Inflation

By FRED R. FAIRCHILD

Professor of Political Economics, Yale University

NFLATION is an increase in consumers' purchasing power in relation to the quantity of consumers' goods, manifesting itself in a rise in the general price level. The causes of inflation are those forces that tend either to increase consumers' purchasing power or decrease the quantity of consumers' goods.

In time of war, both sets of forces are usually intensified. The present is no exception. The national income has grown from an estimated \$76,000,000,000 in 1940 to \$92,000,000,000 in 1941, \$115,000,000,000 in 1942, and \$142,000,000,000 in 1943. On the other hand the diversion of national industry to the production of war material has reduced the production of consumers' goods.

The discrepancy between consumer spending power and available consumers' goods is sometimes called the "inflationary gap," and there have been numerous estimates of its magnitude.

Using 1943 figures as a basis, it is possible to develop estimates of an inflationary gap ranging from \$15,-000,000,000 or \$20,000,000,000 downward to zero, depending on the liberality or conservatism with which the data are estimated.

Furthermore, the possibilities of inflation are not limited to the amount of any inflationary gap in national income. Already in the hands of indi-

THERE IS NO panacea for inflation. We are bound to have some now and after the war

viduals there are liquid assets—bank deposits, U. S. Savings Bonds and money in circulation—amounting to upwards of \$60,000,000,000. The Commerce Department has estimated an increase of some \$50,000,000,000 in these and similar assets in 1943. Life insurance and annuity policies have a cash value of some \$25,000,000,000. Bonds and other securities in the hands of individuals are valued at

huge amounts. These assets—plus many others—could be cashed or hypothecated with credit institutions for incalculable sums. The inflation potential thus is not confined to the gap of a few billions in annual income—whatever that sum may be—but is also the many billions of realizable assets already accumulated in the hands of individuals.

Any sound attack upon inflation must obviously be directed against the basic causes of inflation. We must take steps either to reduce the spending money of consumers or to increase the supply of available goods.

At a time when all our efforts should be directed to shifting the nation's industry over to war production, it is clear that not much can be expected in the way of increasing the stocks of goods available to civilians. Yet even here I think we are not doing our best. Many of our governmental policies are seriously restrictive upon production. We should make a careful study of these policies to the end that we may impose the least possible restraint upon business activity and the production of consumers' goods.

The principal attack upon inflation must be directed toward reducing consumers' spending power. Various methods for doing this are available. Let us first consider taxation.

There is no doubt that taxation is a potent means of taking money from the people and so reducing their purchasing power, but checking inflation is not the only purpose—not even the chief purpose—of taxation in time of war. The chief purpose is to obtain money to pay the costs of war.

If we are to plan with any practical conception of the taxation target at which we should aim, we shall have to start on some basis of principle. I suggest that this is it:

First, determine the amount of necessary expenditures for all essential governmental needs.

Second, raise all the money that can possibly be raised by taxation, without doing damage to the national economy.

Third, borrow the balance.

Here we have, I think, principles which provide a workable guide in the formulation of a war tax program.

Taxation is not the only method of combating inflation. The consumers' spending money may also be reduced by government borrowing. While all borrowing brings in money for financing war costs, it is only the borrowing from individuals and institutions other than the commercial banks that tends to curb inflation. Borrowing

WEHAVE not sincerely attacked inflation until we have put a stop to all avoidable government policies which are inflationary

from the commercial banks not only does not check inflation; it is positively inflationary.

I come now to what I think is perhaps the most important phase of the inflation problem. If we are really sincere in our denunciation of inflation, here are some of the things to which we must certainly give sober consideration.

First, the expenditures of government. Expenditures of the United States Government in the fiscal year 1943 were \$78,000,000,000. The estimate for 1944 is \$104,000,000,000. Here is the source of much of our consumers' increased spending power. Government expenditure is one of our principal inflationary forces. Most of it is, of course, unavoidable. But the elimination of unnecessary government expenditure offers the most direct and effective of all possible attacks upon inflation.

I believe it is safe to say that something like \$5,000,000,000 could be subtracted from the annual expenditures of the federal Government without impairing any essential service—indeed possibly to the improvement of the public service. It seems somewhat out of proportion to talk about adding \$7,000,000,000 or \$10,000,000,000 to the present burden of the taxpayers before taking all possible measures to eliminate the direct stimulus to inflation that comes from \$5,000,000.000

## PREWAR PRICES HERE

WE Americans are paying more today for most things we buy.

d of ers'

iced

all

anc-

ring

oth-

hat

ring

ced

d

enf

ary

only ive-

per-

the

sin-

ion. nich sidernited rear esti-000. conwer. our t of the erndiatmesubires out

-int of

hat ling to yers s to

nfla-.000

943

But there is one outstanding exception—railroad freight rates. They are the same or lower than they were before the war.

In fact, taken all together, freight is being moved at an average charge of less than a cent for moving a ton one mile. This is less than the railroads have received at any other time during the last quarter of a century.

Meanwhile, the cost of things railroads use has gone up.

Materials are up-wages are up-taxes have rocketed.

Because railroads are carrying the heaviest load ever shouldered by any transportation system, they are taking in more revenue than ever before.

But if you hear it said that railroads are piling up a lot of money, just bear in mind that railroad expenses and taxes, together, are running at record level, and that after it is all over there will be a tremendous need for rebuilding and restoring the service life now being "run out" of railroad plant and equipment as never before.

And remember, too, that the railroad freight station is one place where prices are still prewar.

DECEMBER 10 "CLOSING DATE" FOR CHRISTMAS PACKAGES. This year—when war traffic has first call on all shipping services—it is more important than ever to send your Christmas packages early.

Pack them adequately, wrap and tie them securely, address them right and get them started (to points in the United States and Canada) by December 10.

BACK THE ATTACK WITH WAR BONDS

ALL UNITED FOR VICTORY



Listen you! I'm putting this fist-full of money where it'll do the most good . . . for my boy and yours . . . and for millions like them out there somewhere trying to keep this a fit country to live and work in!

Sure, even during a war, a man and his wife, and his kids hanker for things they've always wanted... and yes, many of us could afford them ... but, until I hear my boy's footsteps on the front porch again, both my job and my pay are in the fight—because it's my fight!

Our one big chance right now, to help win this fight, is to play ball with the

Government in its efforts to hold down prices. That means: Pay Taxes ... all we're asked! We've got to pay for this war somehow—and that's the quickest, cheapest way.

Buy War Bonds! . . . all we can. These bonds keep our money safe, with interest, while it's in there pitching.

And we can cooperate with the Government in other ways too! Never bid up a price! . . . Never buy rationed goods without stamps! . . . Buy nothing that you don't really need.

Folks, if we'll all stick to that simple loyalty code, we'll kill two birds with one stone—we'll lick Hitler and Hirohito—and we'll lick inflation.

Result: A saved and stabilized America.

FEDERATED HARDWARE MUTUALS
Hardinare Dualers Mattaul Fire Insurance Company, Home Office, Storens Polar, Wiscomine
Mutual Implement and Hardinare Insurance Company, Home Office, Owatoma, Minnessea
HARDWARE MUTUAL CASUALTY COMPANY
Home Office, Storens Point, Wisconsin

LICENSED IN EVERY STATE



## Hardware Mutuals

Stevens Point, Wis. \* Owatonna, Minn. \* Offices Coast to Coast

Compensation, Automobile and other lines of

CASUALTY AND FIRE INSURANCE

more or less of unnecessary government expenditure.

Senator Byrd has suggested the possibility of a tremendous anti-inflationary accomplishment through the discharge of some 300,000 federal government employees who could be safely spared.

Second, in our attempt to check inflation by the direct means of price limitation, we have fallen far short of what might be accomplished through failure to apply the checks consistently and fully to wages and prices. The tacit acceptance of the "little steel" formula, with its implication that the laborers are entitled to wage advances corresponding to increases in the cost of living is, in my personal opinion, nothing more than surrender to the forces of inflation.

#### Are subsidies justified?

THIRD, the use of subsidies is in general no check to inflation. There may be special cases in which subsidies to certain high-cost producers may be justified for the sake of obtaining the utmost possible production. But those are exceptions.

Subsidies to consumers are certainly an absurdity when one of the basic causes of inflation is excess of con-

sumers' spending power.

And those subsidies to producers which permit the holding down of market prices are, at best, only a concealment of inflation. Under the free operation of the forces of demand and supply, prices would rise, and the increase would be paid by the people who consume the goods and want them badly enough to pay the higher prices. Under the subsidy programs, the Government bears the additional price, which is thus a burden on all the people, regardless of their consumption of the goods in question.

Let me suggest that there is no panacea for inflation. We are bound to have some inflation, now and after the war. We have already had inflation, as anyone can verify for himself by consulting the official index of

First

actio

the o

And

port

histo

food

linin

trop

flage

need

pape

NA

Pa

wholesale prices.

There are some things worse than a moderate inflation. Among them I would include such regimentation and control of private enterprise, through price fixing and rationing and the regulations and interference of OPA, as may place a strangle-hold on free enterprise and set the stage for total economic planning or the socialistic state; and taxes so high and so inequitably distributed that they retard investment and production and threaten the destruction of the American system of personal freedom, free enterprise, and democratic government.



#### THE ROAD TO VICTORY

#### IS MAPPED ON PAPER

First the plan, laid out on paper. Then the action based on plan. Never one without the other. Thus are battles won with paper. And in this war paper plays the most important part it ever played in all world history.

the ral be

igh nt-The el" the ad-

her ms,

nal the np-

no

und

fter

fla-

self

of

han

m I

and

ugh

the

PA,

ree

otal

stic

in-

re-

and the

ree-

atic

43

Paper cartons for shells. Paper boxes for food and medical supplies. Paper helmet linings for our soldiers in the fever-ridden tropics. Paper fins for bombs. Paper camouflage. The list is almost endless and the need has grown so great that a serious paper shortage faces the United States.

This means that every one of us now should save waste paper for reprocessing. And every one of us should use less paper if this shortage

is to be decreased. Here are the simple facts: With the need of paper growing daily, the supply is dwindling. Manpower shortage in the woods is expected to cut paper production still more in 1944."

Your help is needed to save and turn in all waste paper (excepting waxed, oiled or tarred) and to use less new paper. This is one important way you can help to a quicker victory.



Levelcoat PRINTING PAPERS

rufect For Highest-Quality Printing

\imfect

Companion to Trufect at Lower cost

Multifect

For volume printing at a price

TRADE MARK

#### KIMBERLY-CLARK CORPORATION

Neenah, Wisconsin . EST. 1872

NEW YORK: 122 E. 42ND ST.

CHICAGO: 8 S. MICHIGAN AVE.

LOS ANGELES: 510 W. 6TH ST.

## Plugging Another Bottleneck

HE FOUNDING FATHERS of this country recognized the importance of cork in a civilian economy. They did little about it except to determine that the soil and climate of the southeastern states were suitable for growing cork trees.

The versatile Thomas Jefferson went much further. For 40 years he worked to establish the cork oak in this country, even going so far as to ship acorns to a friend while he was representing the United States Government in France.

Nothing much came of the Jefferson efforts nor from those of the Patent Office which-doubling for a Department of Agriculture which was not established until 1862—obtained acorns from Spain and tried to establish a cork industry in 1858.

PRIVATE enterprise acts to give this country production of a commercial and war necessity which has stumped us since Thomas Jefferson first became interested

continued to come chiefly from the shores of the western Mediterranean which was all right in peacetime when we were able to import the 160,000 tons we needed.

War brought a more diffcult problem. Cork is a critical war material. It is used for cartridge plugs, bomb parts, insulation, various kinds of

gaskets and other essential equipment for both the Army and the Navy. At the beginning of hostilities, the Government took over all cork stocks in the country and the fact that Spain and Portugal were neutral made it possible to bring in a limited amount of cork. The liberation of Algeria and the

Cork for this country and the world United Nations' control of the Mediterannean have eased the tension today but WPB still regulates the use of cork in this country.

Meanwhile, private industry promises to free us forever from the need of depending on others for our cork.

Some time ago, Charles E. Mc-Manus, president of the Crown Cork and Seal Company, established a cork project to promote the growing of cork trees in this country.

#### Locating cork trees

ALTHOUGH past efforts at cork culture had proved commercial failures, many hardy trees had survived from those earlier plantings, notably some 600 at Chico, California, dating back to 1904, and a smaller number in Florida. The Florida trees were grown from acorns imported from Portugal and apparently are the sturdiest of a large crop. A severe storm destroyed the others.

Under the McManus project efforts are being made to locate every cork tree in the country. The Crown Cork and Seal Company assumes the cost of collecting acorns and seedlings from these trees and distributing them to planters. After planting, the trees become the property of the

Each year cork is removed from a few trees in selected areas for testing and specimens of soil from under widely distributed trees are collected for laboratory examination.

Owners of mature cork oaks are cooperating by offering their trees for experimental stripping, and donating their acorn crops. The United States Forest Service, Extension Foresters, State Departments of Forestry, forestry departments in the universities, and local agricultural agents are cooperating with the project. Already much has been accomplished. Thousands of young cork trees have been planted from California to Florida,



Cork is procured from the bark of the cork oak tree. America has a few mature trees like this one which produce regularly



If you struck up a conversation with a Chinese citizen in bomb-churned Chungking, and brought up the subject of America's metal-salvage drive, he might say something like this:

"As soon as the Jap bombers have gone and the all-clear signal sounds, we Chinese carefully gather the bombfragments and turn them in for scrap. For in China, every ounce of metal is precious.

"One way to keep that kind of scrap away from your cities is to turn in every other kind!"

This is an advertisement of the Felt & Tarrant Manufacturing Company, 1712 North Paulina Street, Chicago 22, Illinois: makers of COMPTOMETER ADDING-CALCULATING MACHINES

ings

ting

the

m a

ing

der

eted

for

ing ates ers,

for-

ies,

are

ady

ou-

een

ida,

LW. AYER & SON

The sooner every bit of scrap is turned in — be it unused door-keys or unused heavy machinery — the sooner we and freedom's fighting friends will live in peace and happiness once more. . . There is still a lot of scrap uncollected. Let's get it in—quick—because "Uncollected scrap means undefeated Axis"!

## How a call for a DOCTOR led to a

#### **WORLD FAMOUS DEVICE**

and the founding of a business that is playing a vital part in ELECTRONICS for war

An Invitation to MANUFACTURERS and INVENTORS

Have you an idea or invention in electro mechanics which you think will aid the war effort, or which has peace-time application? We'll be glad to develop it with you on a mutually satisfactory basis. We are planning to add 5 or 6 products to our post-war line. If you have a product or idea which you believe would fit in with our activities, write our President, Mr. W. E. Ditmars, in complete detail. We will consider any practical arrangement.

One day back in the 80's, William Gray had to call the doctor for his wife, critically ill. The handiest phone was in a nearby factory, but permission to use it was obtained only after appealing to a company official. Proffered payment for the call was curtly waved aside.

After this unpleasant experience, Gray set out to devise some method by which the general public could at all times have easy access to a phone. The result was his invention of the telephone pay station, and the founding of a business that has taken a leading part in electromechanical progress for the past 50 years.

So when the war came, we had the technical skill and manufacturing facilities for providing the high-precision electro-mechanical devices essential to our armed forces .. Large quantities of ELECTRONIC equipment have been designed and manufactured in our plant, as well as equipment for wire communication and sound recording.

When Victory is won, you can likewise look to Gray for new advancements in electro-mechanical products and in electronics, which promises to play such an important part in peace-time developments.

GRAY MANUFACTURING COMPANY

Makers of telephone pay stations since 1891



and the program calls for not less than 250,000 cork trees in 1944 and succeeding years. However, the requests for cork trees far exceed the number of acorns and seedlings available.

During the past four years more than 100,000 cork seedlings have been planted in California. The cork acorns are collected during the fall and winter, usually by boy scouts or through members of 4-H Clubs. The acorns are packaged or bagged and shipped to designated state nurseries where State Forest Rangers grow and distribute the seedlings. Cork seedlings are free to any person desiring to grow cork trees. Applications are made through the local farm adviser to the Extension Forester at the University of California.

In Arizona 50,000 seedlings are grown annually at a nursery located near Superior. Twenty cork oaks have been found in Georgia, and additional ones are still being located. South Carolina has about 16, Virginia four. North Carolina five, Alabama five, Louisiana seven, and Florida three. Department of Agriculture reports show that cork plantings have been made in Mississippi and Texas.

It is obvious that cork can be grown where healthy cork trees are now growing or have grown. Tests are being conducted to determine other sections suitable for growing cork.

An exhaustive study of soil, climate, rainfall and temperature conditions in the United States has been made and this data compared with that of the cork producing sections of Spain and Portugal. From this study, a map showing the potential cork producing areas has been prepared. While this physico-geographical map serves as a guide in planting cork trees, seedlings have been distributed to persons outside of this theoretical cork area. It is entirely possible some sections indicated as less desirable for growing cork may produce satisfactory trees.

#### **Holiday Travel**

JOSEPH B. EASTMAN, Director of the Office of Defense Transportation, has requested all government agencies and all private employers to refrain from granting vacation leave or time-off to employees, where travel would be involved, from December 17 through January 10.

Mr. Eastman also asked government and business to make special efforts to curtail business travel during this period, wherever such travel could be deferred without impairment of the war effort. He likewise urged government agencies to refuse all requests for government speakers at conventions or similar group meetings held between December 17 and January 10.

pow

beho

Burn HE " Great E tennial mist, a country upon tl demand

The . tionaliz Britain of prin commu argume author boils do "An when t have in from it agemen

In th

says th

require

form of "efficie its wor in the tion of nate pr public such a sell th some c though

"THE publica since t certair of orga best a havior people

This ment o signifi for no the Br has be fluenti

This James lians," Day, p been c group the p In

NAT

#### Things to Come

han suc-

ests

lore

ocen

win-

ugh are 1 to

dis-

ings

to

are

Jni-

are

ated

ave

nal

uth

our,

five,

ree.

orts

een

own

low

be-

sec-

ndi-

een

vith

s of

idy,

oro

red.

nap

ork

ited

ical

me

for

the

has

and

rom

f to

in-

ugh

ent

s to

this

be

war

ent

OT

143

EXTREMISTS contesting for power always claim to act on behalf of the people, says James Burnham in "The Machiavellians"

HE "SHAPE of things to come" in Great Britain, as pictured by the centennial issue of the London Economist, and various Plans for our own country are based without exception upon the proposition that the public demands them.

The Economist points out that nationalization of industry in Great Britain, for example, is not a question of principle, but rather of what the community wants to have. The only argument for nationalization, says the authoritative British publication, boils down to this:

"An industry should be nationalized when the community wants it to behave in a way substantially different from its behavior under private management. . . ."

In the case of the coal industry, says the Economist, the "people" may require the industry to change its form of organization in the interest of "efficiency" or "better relations with its workpeople"—or, "to run at a loss in the public interest." Nationalization of land may be sought to eliminate profit without requiring loss. The public may require other industries, such as the wholesale food trades, to sell their products more cheaply to some customers than to others, even though protected against loss.

#### Only general principle

"THE only general principle," the publication adds, "should be that since the State intervenes to secure a certain pattern of behavior, the form of organization should be such as will best accord with the desired behavior." (Behavior desired by the people.)

This approach by an important element of British thought has a special significance in the United States, if for no other reason than the fact that the British viewpoint in recent years has been quickly reflected among influential groups in this country.

This situation is by no means new. James Burnham in "The Machiavellians," published recently by John Day, points out that there has always been contest for power among ruling groups, and always in the name of "the people."

In America today, as in Britain,



Because of the limited equipment and the heavy burden placed on all transportation services, the Office of Defense Transportation is urgently requesting you to ship your gifts and packages before December 10th.

Help us keep the vital transportation lines of the nation flowing smoothly over the Christmas period by shipping before December 10th.





THERE would be more fun ... with fewer disasters ... if skis could be provided with gadgets like this. Through our experience with electrically operated "finders" for locating submarines and airplanes, anything can happen . . . after the war.

The application of the science of electronics to peacetime products will call for electrical connectors for hooking up complicated circuits. Cannon Connectors will be specified for this purpose . . . as they are specified now on all kinds of electrical apparatus where absolute dependability is the first consideration.

The Cannon Type "XK" series of midget connectors are used for radio, public address systems and other electronic devices where vibration is a factor. Like all Cannon Plugs, they are precision-built to the most exacting specifications. And they are 100% dependable under all operating conditions.





#### CANNON

Cannon Electric Development Co., Los Angeles 31, Calif. Canadian Factory and Engineering Office: Cannon Electric Co., Ltd., Toronto

REPRESENTATIVES IN PRINCIPAL CITIES-CONSULT YOUR LOCAL TELEPHONE BOOK

groups are coming forward to demand nationalization of industry and natural resources in the name of "the people."

Ha

The leaders of these groups look upon themselves as the embodiment of the will of the whole people, Mr. Burnham says. He terms them Bona. partists because they claim unlimited authority to work in the public interest. They believe that parliaments and local governments should be wholly dependent on the central sovereignty which alone, they contend, legitimately represents the whole people.

#### "People ruling itself"

"THE regime is democratically legal. ized by the use of suffrage mechanism in the form of plebiscites," says Mr. Burnham. "These are the characteristics of Bonapartism. We find them completely developed in Germany and Russia; and more and more closely approximated in England and the United States."

The Bonapartist leader can wrap around himself the mantle of the quintessential democrat; and claim that his despotism is simply the omnipotent people ruling and disciplining itself, the writer says.

And when we speak today of "the people's century," and "the century of the common man," we are merely paraphrasing the catchwords of another era—such as "the people's state," and "the classless society."

Vice President Wallace is cited by Mr. Burnham as the major prophet, in the United States, of the Bonapartist mystique. He points out that Mr. Wallace never held elective office prior to 1941; that by general admission, his nomination for the vice presidency at the Chicago Democratic Convention in 1940 did not result from popular demand, nor was it the obvious will of the convention. His nomination and subsequent election is described by Mr. Burnham as a mere "plebiscitary confirmation of a decision made in fact by a leader."

Thus, contends Mr. Burnham, when the Vice President lauds the Russian system at the expense of our own; when he suggests that Bill of Rights democracy may have been overemphasized in this country at the expense of a brand of democracy which he defines as vastly superior, he is acting in the true role of a modern

Bonapartist.

"When we keep in mind the connection between Bonapartism and the formula of democracy as government by the people, we should not be surprised by what might otherwise seem to be a paradoxical political phenomenon: the rapidly growing number of

COPYRI

NAT

## Have a "Coke" = Come, be blessed and be happy



## ... or how to break the ice in Iceland

"Come, be blessed and be happy", says the hospitable Icelander when he meets a stranger. That's a warm way of putting it, but no more friendly than the way American soldiers say it. Have a "Coke", says the Doughboy, and it works in Reykjavic as it does in Rochester. The pause that refreshes is the friendly way to say, "Hi, pal" in any language. All over the globe Coca-Cola has become the gracious ice-breaker between kindly-minded strangers.

#### "Coke" = Coca-Cola

It's natural for popular names to acquire friendly abbreviations. That's why you hear Coca-Cola called "Coke".



COPYRIGHT 1943, THE COCA-COLA COMPANY

nated innts be

and

rap ninhat nip-

y of

le's

i, in

tist

his y at tion de-

and

ary

in

sian wn;

thts

ex-

e is lern

nec-

the

nent

sur-

eem

me-

r of

943

## Another Great Army

Twenty million people are banded together for mutual protection through life insurance in The Prudential.

Wouldn't you like to join them?







#### Tsk...Tsk...AGAIN?

War times turn many an executive into a chronic "Night Owl".

Sometimes it just can't be helped. But too often he burns the midnight oil simply because something down the line has slipped up through inefficiency!

The cure for inefficiency is system... and the Remington Rand's Systems and Methods Technician is a veteran at analyzing manufacturing problems in both the office and the factory.

Most organisations have at least one bottleneck. WHAT'S YOURS?
Production Control? Procurement?
Inventory Control? Cost Accounting?
Personnel? Sales Planning? Turn the Remington Rand Analyst loose on it.

He may prescribe a Kardex Visible System, with its exclusive Graph-A-Matic signal control feature, as a sure cure for what ails your production. Or a Variadex Filing System to put your files on a find-it-immediately basis.

Call him in now and throw your worries in bis lap. A phone call or wire to our nearest Branch Office will bring him on the double.

REMINGTON RAND BUFFALO 3, NEW YORK

individuals in this country who may properly be called 'democratic totali tarians' . . . these people are, as we can readily discover from their speeches and articles and books, the most extreme democrats in the country and quite possibly in the world. In the name of their democracy, they preach the attitudes of Bonapartism, and they advocate the suppression of the specific institutions and the specific rights and freedoms that still protes the individual from the advance of the unbridled state.

"Huey Long knew much more about politics than these persons will ever know. When he said that if fascism destroys democracy in this country it will do so in the name of democracy. he was correctly predicting the role that the democratic totalitarians are today playing. His opinion, expanded into the language we have been using may be put as follows: the Bons partist development of the democratic formula of self-government will be used in the attempt to destroy those concrete individual and social rights which were once also associated with the idea of democracy.

'It should not be imagined that the phenomenon is confined to the United States. Some people have the naive opinion that in other countries despotism was established in the name of despotism, that dictators who were in the process of destroying freedom made clear to the people that they were doing just that. Naturally, never happens that way. The modern despotisms have all marched to the tune of 'the workers' or 'the people." The Stalinist Constitution of 1936 is we are assured, the most democratic in the world. Nazism expresses, according to its own account, the aspirations and highest freedom of the entire German people, and, indeed, when Europe begins to get conquered by Germany, of all European peoples; and would doubtless do the same for the peoples of the whole world, if Nazi arms should be fully successful.

"Honest men have never been able to get an exclusive patent on the words of democracy."

> re eq te

> of

ev lif

icy

ou

NAT

#### Inflation Tale

PRESIDENT C. E. WILSON of General Motors tells of the company's representative in Cairo who recently sold a 1939 Buick that had travelled 40,000 miles for a sum equivalent to \$16,000. Egypt isn't in the war, has low taxes and finds lots of money flowing in from outside the country.—The Wall Street Journal.



#### 60 Years without an Alibi

Yes, that's how long ago it was that we first put ourselves "on the spot."

enhen

by les; for Vazi

able

ords

Gen-

repsold

,000

000.

axes

rom

943

We did it by assuming a single manufacturing responsibility for P&H overhead materials handling equipment. This was the only way we could guarantee faithful service—by exercising complete control of quality—by building all the equipment ourselves, even to electric motors designed specifically for the lifting and lowering of heavy loads.

The passing of 60 years has not changed our policy. This sole responsibility for the efficient operation of P&H Hoists and Cranes built completely in our shops, adds up to greater customer satisfaction—a reputation that has helped to make P&H Amer-

ica's largest builders of overhead materials handling equipment.

Today, P&H's experience in applying electrical power to the movement of heavy loads is serving America everywhere. P&H engineers will gladly discuss your particular requirements with you.





(Heavy Wrecker (M-1) made by Ward La France carrying 20,000 ib. loads on routine test run. Road test load exceeds gross weight of finished vehicle.)

 GREMLINS are notorious hitch-hikers...always anxiously awaiting the chance to catch a ride on an indispensable piece of war equipment and foul it up at the most crucial time.

Here at Ward LaFrance we have "open season" on the troublesome creatures ... systematically seeking them out and eliminating them long before they can grow up to commit more serious crimes on men and machines. Our successful method of dealing with truck Gremlins is unique with Ward LaFrance.

#### We take them for a ride!

It's so tough they give up. After a peaceful period of pleasure riding they begin to cry out. They can't understand why a truck has to carry a 20,000 lb. load at full speed . . . sudden stops and starts . . . uphill and down. We can tell them.

It's a routine test run given every Tank Recovery Truck made by Ward LaFrance. And, if you don't think it gets results . . . just ask the Gremlins.

When planning your post-war replacements, investigate Ward LaFrance first. Learn about trucks engineered, built and tested for specific jobs. You'll be glad you did.

#### WARD LAFRANCE TRUCK DIVISION

ELMIRA.



**NEW YORK** 

### Auto Tags...

STATES find ingenious substitutes but still prefer steel for license plates

Man

read

to ta

these

the s

be ke

So

took

box (

with

force

mate

prou

mills

tanks

their toger

Old s

the tv

and r

dolas

new f

beam

overh

"Bac

No

So

Ba

MULTI-COLORED license plates on front and rear of automobiles will all but disappear next year-and will be replaced by single plates of steel or plas. tics, tabs inserted in old plates, or wind. shield stickers, according to Public Administration Clearing House. These substitutes are the result of experiments by motor vehicle registration administrators to replace steel plates used universally before the war.

But, despite the fact new devices have been cheaper, administrators look forward to the time when adequate supplies of steel will permit use of two steel plates per car each year. Tabs have been difficult to administer, easy to remove and replace on other cars, and hard for enforcement officers to identify, a study by the Federation of Tax Administrators shows. Stickers are disliked by car owners and enforcement officers and cause complications in the accounting office. Fiber board has proved successful for license plates for passenger cars two states report, but as far as is known, no state has used it for trucks.

Half the states will issue only one new license plate of steel in 1944, while others will use substitute materials for their licenses. Two states, Connecticut and Delaware, have permanent plate systems. Illinois, Louisiana, Montana and Virginia will issue two new fiber board plates for each car; licenses for trucks only will be made of steel in Illinois and

#### Tabs and stickers

SEVEN states will use small tabs, 11 will use stickers. California will use tabs for motorcycles and trailers but stickers for passenger cars. Alabama, Washington and Wisconsin will combine the use of one rear plate with a windshield stamp, and Wisconsin also will use a tab. The one plate of Wyoming will be of fiber board or plastic. Several states including New York will utilize steel from discarded plates.

Only four of the states using tabs this year-Maryland, Nebraska, Texas and -will continue to do so in Wisconsin-1944, according to present information. Colorado and South Carolina will try tabs for the first time in 1944.

In general the sticker was more successful than the tab, the Federation reports. The following states using this device in 1943 will continue the practice next year: Alabama, Arizona, Idaho, Iowa, Massachusetts, Oregon and Washington. Those of Washington will have larger numerals and will be of better quality than before. South Dakota, which issued tabs in 1943, will try stickers next year.

O 1943 Great American Industries, Inc., Meriden, Conn.

## Working for Victory on the Santa Fe

## MAKING NEW ONES OUT OF OLD ONES

ub-

but relasind-Ad-

sub-

traver-

for-

lies

ates

iffi-

and

en-

udy tra-

car

and

ing sful

no

lew

th-

neir

ys-

and ard

and

11 abs

ers

use

eld

e a be

tes

his and in on. try ucrehis

ice ho,

ter

k-

Many a veteran Santa Fe gondola, already marked for retirement, has had to take a new lease on life.

Battered, broken and ready to quit, these hard-worked cars no longer had the strength to hold their loads.

Somehow, these "old boys" had to be kept rolling!

So Santa Fe shopmen got busy. They took old steel ends from broken-down box cars, and rebuilt the old gondolas with steel sides, and a new, steel-reinforced floor—all made from old, used materials.

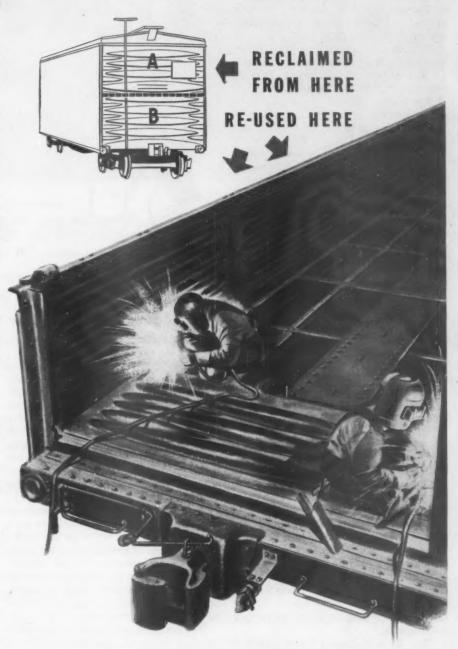
Now, these rebuilt old gondolas are proudly hauling coal and ore to the mills, war material to Army camps, tanks and guns to waiting ships—doing their part in binding an entire nation together into one unified war effort.

#### Here's How It's Done

Old steel box car ends are cut in half, and the two halves, "A" and "B", reassembled and riveted to the frames of the old gondolas. Old steel beams are used to reinforce new floors in place of the original wooden beams. The running gear is completely overhauled.

"Back the Attack with War Bonds"





#### SANTA FE SYSTEM LINES

Serving the Southwest and California

ONE OF AMERICA'S RAILROADS-ALL UNITED FOR VICTORY

## The Oil You Don't Get

By THOMAS T. READ

Professor of Mining Engineering, Columbia University

MMENSE oil sands which may yield six times as much oil as the present estimated world resources are known to exist in northwestern Canada.

Recently located fields in Arabia are not yet fully known, but certainly are another large addition.

The American Petroleum Institute's committee on reserves now estimates our proved oil reserves here at home at 19,000,000,000 barrels.

Technology already is available to make petroleum products from coal and from natural gas at a price differential less than that between natural and synthetic rubber.

But, even with this great and rapidly rising abundance of sources in this country and throughout the world, will there be enough crude petroleum available to meet our needs in the coming year?

The answer is no!

During the oncoming oil crisis there will not be enough to meet our needs anywhere. The deficiency, as far as this country is concerned, will be caused by man-made difficulties, by controls both short-sighted and unintelligent.

Estimates indicate our oil requirements for 1944 will be 500,000 barrels daily greater than in 1941, the year controls were applied.

What has happened, under these controls, to our ability to produce oil?

#### Free forces not working

DURING the five-year period from 1937 through 1941 the average number of new wells completed annually in the United States was 19,847. The wells completed in 1942 number 10,492—a drop to just over half the normal rate. Completions this year show a continuing decline.

While military demands for vitally necessary oil rise and civilians are required to curtail their use of it, our means of meeting the need are caused to diminish.

This is a difficulty of a planned economy. It is the result of price ceilings established by OPA on crude oil and on its refined products. In a free economy such a situation would not arise.

As demand for crude oil increased,



THE NEXT generation will have plenty of petroleum but this country will be short of it in the coming year

it would, in a free economy, cause a rise in the price. This increase would stimulate the drilling of new wells. Prices for refined products would increase, reflecting the rise in the price of crude. This would tend to check the rise in demand. As new wells came into production they would increase the supply, and check the rise in price.

None of these forces are operating

The public is vaguely conscious that, in recent years, there have been periods when the wells in operation were capable of producing more crude oil than the market would absorb. Perhaps the public supposes that all that is necessary is to open the valves on the wells, like turning on a larger flow in filling a bathtub.

But petroleum producers are under no such delusion. The plain lesson of operating experience is that, to get out for use the petroleum in an oil pool, the gas pressure on it—which moves it through the ground—must be maintained.

Opening up the wells to the limit

would produce more oil for a little while but less in the end. It would be a waste of a precious resource. We might meet the critical demands of 1944 by squandering our heritage, but no sensible man would advocate it. The wastes of war are terrible enough without adding an unnecessary one.

The only sound solution is to drill new wells. But the price limitation discourages that.

Even a shallow well is expensive to drill. It is not unusual for a single well to cost \$250,000 and one out of every five wells produces nothing.

#### Paying for new wells

BEFORE drilling starts, considerable sums must be spent on preliminary studies. All this is lost if the work is unproductive. The cost of such unproductive search must be distributed over the productive wells.

The time-honored method has been to provide, through increased prices for the product of existing wells, the funds necessary to drill new ones.

Even if this increase is passed on directly through the refiner and distributor to the consumer, it is not a steal from the consumer. It is merely a business-like and effective way of having the consumer finance, through his current purchases of products, the cost of finding and bringing into production the oil he will need later.

If it is not brought in in time, inevitably it will cost him more later through the normal working of the law of supply and demand.

The 25-cents-a-barrel increase in the price of crude, a rise that probably would result in greater drillings despite higher wage and material costs, would amount to less than one-quarter of the taxes the consumer now pays on petroleum products.

Any well-informed consumer would gladly pay it as an insurance premium against a later higher increase in prices.

The Petroleum Administrator for War has twice requested OPA to grant a 35-cent increase in the price per barrel of crude oil. Twice the request has been rejected.

To increase the wartime supplies of copper, lead and zinc, producers have



### IF THE JAPS INVADED TOMORROW ...

Suppose you picked up your newspaper some morning and found that the Japs, in a lightning raid on the Pacific Coast, had fired a California city—and burned thousands of people alive! Suppose that you learned that among them were 2,200 children less than nine years old—wouldn't your blood boil? Wouldn't you be roused to a higher pitch of fighting spirit than you have ever been?

ed

en

he

is-

a

ely of

gh

he

in-

ter

he

in

de-

ts,

OW

ıld

ım

in

for

est of

43

Yet—2,200 children under nine years of age are burned to death every year right here in the United States! But Carelessness, not the Japs, is the criminal.

And-it's a crime you can help stop.

Yes, you can help save thousands, tens of thousands of other lives . . . and help prevent damage to war plants, damage seriously retarding our war effort with losses that mere dollars cannot replace today. And, to make it more tragic, fire losses this year are about 16% above last year and are rising at an alarming rate.

That's why fire prevention, always important, is extra important this year. That's why, too, cutting down fire losses is the concern not only of every manufacturer and home owner, but of every citizen. And there is this final reason to make fire prevention your concern—over a period of time the smaller the losses the less the property owner will pay for his insurance protection.

So, now of all times, be extra careful about fires.



Make Every Week Fire Prevention Week



on better, safer, longer-lasting PLOMB TOOLS

The Plomb hinge handle is a favorite because it gives three advantages in war production—

- 1. It provides maximum flexibility.
- 2. Light yet strong, it is safer to use than ordinary types.
- 3. Made right so it will last longer.

All tools in the famous Plomb line are well-known for the better, safer, longer service they give. Call the friendly Plomb dealer near you to help you get exactly the kind you want for your war job — from screwdrivers to sockets and attachments. Plomb Tool Company, Los Angeles 11, California, U. S. A.



been offered a bonus in the form of an increased price for that part of their output which represents an increase over normal production. Fairly good results have been obtained in this way. Output of existing mines has been increased.

But a well which is now producing crude petroleum is producing all it can. The way to get increased output is to drill new wells.

The operators already are applying the best technology they know to operation of their wells, and an increase in price would make no difference in the output of existing wells.

There comes a time in the life of any well when the value of its output becomes so small through the normal decrease in quantity, that it does not pay to continue to operate it. If the output yielded more, through an increased price, its life could be extended and more total oil produced.

This is a normal, business way of producing that result. Certainly it would work better than paying bonuses or subsidies.

The sum of the matter is that, to produce the oil needed in 1944, the rate of drilling new wells needs to be stepped up. The industry wants to use for that purpose the same method that has worked in the past.

Bureaucratic control wants to employ other methods. The industry does not believe these will work. Meanwhile nothing is being done.

All the evidence indicates that petroleum supplies, perhaps at somewhat advanced but not unreasonable prices, will be available to the next generation, and surely our own generation must possess the intelligence to extricate itself from the dilemma into which it has blundered.

#### Less Pawning Today

An INSIGHT into living habits of a nation at war is offered by New York pawnbrokers who agree that business is off 50 per cent today and lower than at any time since the 1920's.

PAP

Guir

over

Yes,

Can

alun

arm

And

wea

Can

need

ben

To r

care

can

Reports crossing the ocean are that London pawnbrokers are feeling the same slump. Many shops there are now

open only two or three days a week.

One reason, New York dealers told a reporter recently, is that young fellows who "lived too fast" and frequently had to pawn the same wrist watch several times a year are now in the Army. Other customers are making high wages in war plants although, in one dealer's opinion, they aren't handling the high wages very wisely.

"They throw it (their high wages) away the first half of the week," he said. "Then we do business the second half."

However, most dealers agree that more pledges are redeemed today than before the war. Pre-war average is estimated at between 80 and 85 per cent. Today 95 per cent of pawned items are redeemed.



## THANKFUL for a bit of Canvas Overhead

PAPUA . . . Sanananda Area: It really rains in New Guinea — inches in one night — and a bit of Canvas overhead is mighty welcome.

om un-

Y

fa

ork

s is

at

hat

the

low

da

ows

had

eral

her

er's

igh

es)

aid.

lf." hat han

stient. are

43

Yes, every yard of Hooperwood FIRE CHIEF-finished Canvas is just as important to the war effort as steel, aluminum, explosives and other vital materials, for our armed forces literally travel, live and fight under canvas.

And when the war is over, this amazing fire, water, weather and mildew resistant Hooperwood "Engineered Canvas"—now produced exclusively for government needs—will open up new broad fields of usefulness, benefit many widely used products.

To mention but a few — awnings that won't ignite from carelessly-tossed cigarettes or rot from mildew; special canvas truck covers that will outlast their predecessors

several times over; welding curtains, construction windbreaks and tarpaulins that refuse to burn even though touched by torches, hot rivets, or glowing coals; canvas marine supplies that will help strike out the fear of fire on shipboard; aircraft canvas fabrics that repel gasoline and oil.

These and many other applications of Hooperwood "Engineered Fabrics" for business and industry will be waiting for you when conditions return to normal.

WM. E. HOOPER & SONS CO.

New York PHILADELPHIA Chicago

Mills: WOODBERRY, BALTIMORE, MD.

Since 1800 (through six wars) the HOOPER name has symbolized highest quality in Cotton Duck and other Heavy Cotton Fabrics, Paper Mill Dryer Felts, Filter Cloth, Rope, Sash Cord.

· Fire-Chief Finished PATENTED

HOOPERWOOD COTTON DUCK

## War Surplus for Sale

INDUSTRY is alarmed over what might happen if vast stocks of war goods are thrown on the market when peace comes, but the Armed Services are cooperating and will have a plan to offer

THE ARMED services are making advance plans for the disposal of their surplus property when the war is ended. These plans will be placed in the hands of Bernard M. Baruch. He will make the final plan.

All concerned assert that industry shall not be injured as it was in the free-dumping period of 1920-21, after the First World War. Then there was no plan. Warehouses were emptied at the buyer's price.

So-called Army and Navy Stores sprang up on every corner. Shoes that cost the Government \$10 to buy were sold for \$2. Nine-dollar blankets went at a dollar each. These are sample prices.

Officers in the Army and Navy, the Air Forces, and the Maritime Commission are hard at work roughing out plans which, in the first instance, will go through the hands of Under Secretary of War Patterson, Under Secretary of the Navy Forestal, and Admiral Land of the Maritime Commission. Conferences are being held with the heads of industry.

These heads retain a bitter memory of the selling storm which followed the First War. The services hope that plans will be worked out which will ensure the earnest cooperation of all branches of industry. The services take a realistic view of the situation. If industry were to be ruthlessly sacrificed as was the case in 1920 it might not again be generously ready to do the impossible if another war were to come about.

#### **Unusable materials**

IN THE meantime, certain surplus, superseded and unusable materials are being disposed of in the manner prescribed by Army and Navy regulations. These are available to all interested. Goods of this nature only reach the private purchaser if all the fighting services and the industrial divisions of the War Production Board declare they are of no value for the prosecution of the war. Buyer and seller may then negotiate for a price.

Considerable excitement was raised among the uninitiated by the recent publication of a four color, 8 x 10½ inch, calendered paper catalogue by the "830th Army Air Force Specialized Depot" of Memphis, Tenn., addressed to "manufacturers or their suppliers under existing regulations."

This contained 32 pages of illustrations of articles available at this time. They ranged from brass or steel screws of almost every size and sort, with washers, to rubber hose with or without couplings; aluminum, steel, plastic and self-sealing tanks for gasoline or fuel oil, of every conceivable size; to air compressors, fuel pumps, meters, airplane jacks, fuselage cradles, airplane wheels and engine dollies; film and electrical equipment, airplane engine parts, heaters and de-icers and seats and miscellaneous airplane parts; armored cable and field hangars and drills, tools and tube benders-

Most alarming of all was an offering of electrically heated flying suits, fleece-lined trousers and flying shoes insulated against the most extreme

It really looked as though 1920 had come again.

The 1943 motorist had visions of hitching an electrical flying suit to the battery of his tattered jaloppy and defying the worst blizzard. Or slipping into fleece-lined pants when he put out the cat.

But it isn't that way at all.

These goods—and all the goods that are being offered at this time—are only offered to manufacturers who might make use of them on war contracts. The electrically lined suits and the fleece-lined pants are not on sale at all. They got in through a mistake.

If no airplane manufacturer or other maker of war goods calls for any of the items in this catalogue—quantities are not stated because they fluctuate as reports are heard from the flying fields—then the War Production Board is asked to place before its industrial divisions this statement of articles available to war contrac-

tors. Only the final and inconsiderable residue is bought by non-war connected persons or companies.

Even the scrap is broken down.

Here are the steps as set forth in a document, which is headed "Don't Dispose of Excess or Surplus AAF property until you first read carefully PR-7 (Procurement Regulation 7), WPB Directive No. 13 and WPB Directive No. 16. Then ——"

Serviceable industrial property may be sold to a war contractor for use in a war contract; it may be circularized to the technical services of the Army, Navy, and, if you desire, Treasury Procurement for 20 days; you report it to the Redistribution Division WPB, subject to prior sale. Then fourth, it may be sold to any one, provided the sale is in accordance with WPB and OPA regulations.

#### Subject to regulations

MILITARY property may be declared as surplus to the War Department or classified as industrial property. It must then be reported to the Treasury Procurement and, if released, may be sold to anyone subject to Army, WPB or OPA regulations.

Irreparable property is mutilated after all usable parts have been reclaimed, and the remainder is transferred to the Salvage Officer of the Army Service Forces for disposal as scrap.

The responsible officers believe that these directives, which are to be read in connection with the 24 pages of Procurement Regulation No. 7, and which go into the most minute detail, provide an absolute, imperative, unbeatable guard against any property of the Services reaching the open market while the fighting is going on.

The postwar problem is one of greater complexity. Not only will there be billions of dollars' worth of property to be disposed of, but it may be roughly separated into three categories.

First comes such war material as guns, tanks, rifles, and the like. These will be warehoused in readiness for the next war—if and when it comes—or until it is rated as obsolescent and must be replaced by up-to-date instruments.

Second are the vast accumulations of property which may be available for civilian use, but which must not be thrown on the market to the injury of American industry. It is this second



#### F.O.B. FIVE MILES UP!

consigned by American Industry

"The customers won't be kept waiting." They're accepting on-the-spot delivery in hundreds of fighting areas the world over.

n-

at ad

of nd le-

p-

en

n.

of

ill

of

ay

te-

as

se

or nd u-

ns

ole be of nd

13

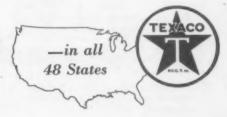
For instance, from Flying Fortresses, five miles up, 500 pounds of TNT to a "package" - our enemies are taking it and not liking it.

American Industry is busy producingand delivering the goods to do battle. In hundreds of war plants. In hundreds of war towns. By hundreds of thousands of war-working men and women.

There is one ingredient common and vital to this vast production. It is oil. Lubricating and cutting oils to turn and drill and plane and mill and grind.

This nation-wide demand for quality petroleum products is met by Texaco through its more than 2300 wholesale supply points. In addition-skilled engineering service is available to insure maximum efficiency from its products.

THE TEXAS COMPANY



## Cities Service Rust Remover

For the First Time in the History of Rust-Removal Compounds It is Now Possible to Secure a Liquid at Reasonable Prices

which has these

5 BIG ADVANTAGES

- 1. Non Inflammable
- 2. Harmless to Normal Skin
- 3. Makes Metals Chemically Clean
- 4. Removes Rust by Chemical Action
- 5. Free from Muriatic, Sulphuric, Nitric, Oxalic Acid or Cyanide.

phase of the overall problem which is to be turned over to Bernard Baruch as a plan-maker.

Third is the disposal of what might be called the "real property," and this is now under consideration not only by the Truman committee of the Senate but by the military affairs committees of the two Houses of Congress. As stated in a recent report of the Truman committee:

The great bulk of all war plants and the machine tools and facilities contained in them and many of the machine tools and facilities in the special war plants, can be utilized for civilian production. . . . We must use them. . . . The task of government is to determine the standards by which business can operate in such a way that businessmen will know where

they stand."

The immensity of the problem is admitted. Many industrial leaders are frankly alarmed. The armed services are heartily cooperating. They will at least be able to offer a plan.



RUST is oxidation caused by moisture in contact with the surface of metal. To combat this universal problem Cities Service Rust Remover was developed and tested throughout a small highly industrialized area in the East, where it earned a unique reputation for performance.



SUBJECT MAY BE TREATED with a stiff brush, cloth or any convenient means in same manner as would be used with any ordinary cleaning or polishing fluid. Particles may be immersed in glass, crock, wood or rubber-lined container. General application is recommended at room temperature—(60-90° F.). Rust Remover is re-usable. Effective on enamel and porcelain as well as metals.

> See an amazing demonstration of Rust Remover on your own equipment. Wire or write Cities Service Oil Company, Room 1766, Sixty Wall Tower, New York 5, New York.

> (Available only in Cities Service Marketing Territory East of the Rockies)



18 a clean. REMOVER practically odorless and noninflammable. It is easy to apply and harmless to handle by workers not allergic to specific chemicals. Rust Remover is fast acting on steel and iron. It is effective for removing corrosion from-chromium, copper, aluminum and nickel.



MAKE THIS TEST. Place any rusty nail into a small quantity of Rust Remover. If badly rusted, allow to remain for several minutes—watch rust dissolve, original surface re-appear. Remove nail and wipe dry with cloth or tissue.

OIL IS AMMUNITION - USE IT WISELY !



#### Chop Your Wood

BECAUSE the regular wood choppers have war jobs and because of lack of transportation, Manchester, N. H., is facing a serious shortage of wood fuel. But "Chop your own wood" is becoming the slogan, and with it, the city expects to solve its fuel wood problem. Stumpage areas of at least 4,000 cords have been located within a few miles of Manchester and a workable program mapped out in charge of the Water Works forester and wood fuel chairman.

A person desiring to chop his own fuel asks the Water Works Office for a chopping permit. He is required to pay a stumpage price of \$2 when the application is made. As the stumpage areas are divided into lots, the chopper is assigned a lot number. A time limit is set, based on the number of cords he wants to cut, and he must guarantee a minimum of two cords.

Arrangements have been made to haul the wood out to the road, measure it, and haul it to the chopper's home at \$6.50 a cord for four-foot lengths. If the wood is cut to regular stove lengths at the lot, the additional charge is \$2.00 a cord.

Total cost of the wood is \$10.50 a cord, and considering that the ceiling price is \$18.00, the chopper makes the equivalent of \$7.50 a cord, stove lengths, delivered to his home.

The OPA has been cooperating with the plan by allowing choppers extra gasoline to get to and from the lots.

Most of the lots contain hardwood, beech, birch, and maple, but there is some softwood which the chopper may cut if he wishes.

Most important, a method of supervision has been devised to prevent the theft of wood after it has been chopped. GLADYS VERVILLE DEAN

have b

War los \$1,000,0 money country What to get and to New needed back in from O To b busines chasing chasing and se they ca the sur put the ing ord It sou is the s

THE fi

for the

ilize th antee Norwa relation wise, th inflatio To s create in Norv pected will ba ing in Norwa: 000 an \$80,000 ceeded ahead o In th prise v constru ference ment a For y chasing goods f countri will bo direct f what so will bo Norwa: Payn must b which, cheap 1 In ca establis

> liquidat With armed Norwes buy th placem

NATI

it is as

here f

#### When "Peace Breaks Loose"

(Continued from page 34)

have been wrecked or have worn out. War losses, occupation costs (more than \$1,000,000,000) and wartime printed money have put a severe strain on the country's currency.

What can Norway do, or hope to do, to get back on her feet economically—

and to pay her own way?

hich

ruch

this

only

Sen-

om-

Con-

t of

ants

the

spe-

for

use

t is

nich

way

ere

l is

are

lat

ers

of

uel.

ing

ects

ave of

am

ter

an.

wn

r a

av

oli-

eas

as-

et.

nts

ni-

to

ire

he

ng

New equipment and repair parts needed to put the farms and factories back into production will have to come

from outside the country.

To be able to buy those goods, the business men of Norway will need purchasing power, and to create that purchasing power, they will have to produce and sell goods abroad—goods which they cannot produce until they obtain the supplies and equipment needed to put their productive facilities in working order.

It sounds like a merry-go-round. What

is the starting point?

#### To prevent inflation

THE first step, says Hans Bull, will be for the Norwegian Government to stabilize the country's currency—to guarantee a fixed and definite value for Norway's monetary unit of exchange in relation to the American dollar. Otherwise, there will be danger of runaway inflation.

To stabilize the currency and to create confidence at home and abroad in Norway's monetary system, it is expected that the Norwegian Government will back up the currency by maintaining in its national bank (the Bank of Norway) a guaranty fund of \$50,000,000 and probably more in addition to \$80,000,000 in gold which Norway succeeded in getting out of the country ahead of the invasion.

In the field of business, private enterprise will be encouraged to do the reconstruction job with as little interference from the Norwegian Govern-

ment as possible.

For working capital—the initial purchasing power with which to obtain goods from the United States and other countries—the Norwegian business men will borrow from their local banks or direct from the Bank of Norway, giving what security they can. The local banks will borrow direct from the Bank of Norway.

Payment of the bank loans, however, must be guaranteed by the Government which, in turn, must obtain large and

cheap loans from abroad.

In cases where Norwegian firms have established credit in America, they will, it is assumed, arrange to borrow funds here for long- and short-term self-liquidating undertakings.

With the currency stabilized, and armed with initial purchasing power, Norwegian business men will be able to buy the durable goods, machines, replacement parts, materials and supplies



## TAP DAY AT BERCHTESGADEN

SOMEDAY SOON you will hear, floating through the wooded crags of your mountain hide-out, the measured strains of American "Taps."

Our trumpets will be like the notes of those which made the wall of Jericho crumble, and you will be exposed to the righteous wrath of those you have tyrannized.

This day of doom for you, Herr Hitler, is the one for which every American lives. It is the reason for the extra push and skillful care being exercised at the Detroit Tap & Tool Company plant. Every Tap and Tool that we produce is our contribution to bring Tap Day at Berchtesgaden nearer.

The role of the Detroit Tap & Tool Company in helping to create war equipment of the highest efficiency may be best answered by a study of the great armament producing companies we serve—and the performance in battle of the materiel they produce. We feel it is a tribute to the quality, precision and durability of the Threading Tools we manufacture, and to the high standards we have set which these tools must meet.

You've done your bit—now do your best
BUY UNITED STATES WAR BONDS



8432 BUTLER AVENUE . DETROIT, MICHIGAN

GROUND TAPS - GROUND THREAD HOBS - THREAD GAGES SPECIAL THREADING TOOLS AND GAGES



Cash on the line is an awfully important thing for every business concern.

If you pay cash for all needed supplies, you profit by the discounts you get and the lower prices.

COMMERCIAL CREDIT offers you a broad new service of engineered financing to take care of all your cash requirements, including loans to meet such special situations as:

- 1. To purchase other companies.
- 2. To buy out partners, officers or stockholders.
- 3. To retire bonds, mortgages, preferred stock or long-term loans.
- 4. To meet heavy tax and renegotiation liabilities and take advantage of tax-saving opportunities.
- 5. To purchase modern equipment—single units or complete plants.
- 6. To maintain adequate inventories.
- To increase working capital to meet wartime requirements.
- 8. To discount payables and establish preferred credit standing.

Our full service is described in detail in the new booklet "CAPITAL SOURCES." Copies are being sent to representative manufacturers and distributors.

At any time, one of our representatives will call at your convenience and help you plan financing to meet your requirements. No obligation. For an appointment, or for detailed information, write the nearest office listed below.

## Commercial Credit Company Baltimore

Subsidiaries: New York Chicago San Francisco Los Angeles Portland, Ore.

CAPITAL AND SURPLUS MORE THAN \$68,000,000

they must have to get under way. Then, as the wheels start turning again in their own land, they will have products to sell, abroad—pulp, paper, food, textiles, wood, whale oil, animal fats, metals, nitrates, etc. In time, their loans will be retired, their purchasing power will be strengthened, and their trading can turn more and more to consumer goods paid for with Norwegian money, goods or services.

To protect the exchange rate, the Norwegian Government will doubtless have to regulate the trade balance, at least, at the start. That will mean that no business man will be allowed to buy such a large quantity of any one particular item, that—by borrowing money with which to pay the bill—he would curtail other and perhaps more necessary purchases by other business men.

#### Depends on foreign trade

BECAUSE Norway's determination is to pay her own way in the postwar world, her reconstruction program will hinge on the building up of her foreign trade, selling her goods to the world to buy goods which she needs but cannot produce herself.

In cases where existing high tariffs now hamper the sale of Norwegian exports to the United States, Norway is hoping that a mutually satisfactory trade treaty, or trade reconstruction agreement in treaty form, can be worked out.

"This trade agreement," says Mr. Bull, "should include the mutual aims of the two countries for a certain period, say ten or 20 years. It should be in two steps: a preliminary plan to go into effect the day the enemy surrenders; and a final plan to be worked out and agreed upon within, say, a year after the war.

"War conditions, wartime organization and, in Norway's case, the fact that almost all our experienced business men, industrialists and shipping leaders were caught within Norway have, in some cases, resulted in an unsatisfactory situation and loss of good will," adds Mr. Bull.

"Not the least important reconstruction work will, therefore, be that the business organizations on both sides of the Atlantic should come together and rebuild a foundation of mutual understanding and confidence.

"The differences, if any, are superficial and temporary and can, and should be, removed. But the ties that bind us together are fundamental and have their roots in our similar lives and aims.

less r

Truck

They

sleet o

For

worst

are pa

highw

in the

have

... St

NATI

"Norway's business and industrial organizations—Norges Industri Forbund (Industry Association), Norges Handelsstand (Trade Association), Norges Rederforbund (Shipowners), etc., will be ready to function and to work closely with America when peace comes.

"I hope that similar organizations in America are making their plans for carrying on business with us as soon as the enemy surrenders—and that may happen suddenly—any time now—and we should not again be caught unprepared when 'peace breaks loose.'"

# THERE'S BEEN A CHANGE ON ROUTE 34



Now EVEN the hush of the snow-swept country-side is a casualty of war. Shattered by a cease-less roar and rumble. Trucks going on through. Trucks delivering the goods our fighting men need. They must get through. And they do . . . through sleet or snow.

of

ler-

For alert maintenance engineers know their responsibility. They know that, even through winter's worst, pavements must be kept bare. That only then are pavements safe for vital traffic humming along highways . . . hurtling down airfield runways. But in their battle against the elements, these engineers have an ally in the deadliest enemy of snow and ice ... Sterling Rock Salt!

The biting crystals of Rock Salt bore like an auger through even the hardest packed snow or treacherous glare ice. Melting it . . . breaking it up for easy removal by scraper and plow.

This is far removed from salt's more familiar chores—helping to improve America's industrial production. There is hardly an industry that does not use salt. Many of the leaders use International's Sterling Salt. And for the best of reasons—either because of the superiority of its basic grades or because of the unique salt processes developed exclusively by International. Sterling Salt for every use—in industry, agriculture, the home. International Salt Co., Inc., Scranton, Pa., and New York, N. Y.

## Victory on the Red Tape Front

By HERBERT COREY

THE ARMY SERVICE FORCE developed business methods so that soldiers might fight instead of filling out papers

THE COLONEL tripped on a loose bolt on the deck of the flatcar. It was the war's luckiest trip. His elbow went through a rotten board on a huge crate on the flatcar's deck.

"That," observed the Colonel in Army language, "is deleted funny."

He shook the next board. Four more boards came off. Rust had eaten holes around the nails. Inside the crate was a big Army truck. Cost, perhaps \$10,000. Destination overseas. During the First War the Colonel had been attached to a transportation element in France. He had never been reconciled to the fact that never-used trucks had reached him by the score in such condition that he had to tear down two or three trucks to make out of the remnants one truck that would go. The Army calls the process "cannibalizing."

"This train doesn't move," said the Colonel, "until I look at these trucks."

There were 1,500 of them, all crated, all loaded on the flats. The Colonel's opposite number said the train must roll in an hour. The 1,500 trucks were needed overseas.

"I'll talk to Washington," said the Colonel. "This train doesn't move."

Not one of the 1,500 trucks was wholly serviceable. They had been standing, crated, for more than a year, ear-marked for shipment to China. But the Burma Road was no longer usable. In the desperate flurry of the first months of the war the trucks had been forgotten. They had been discovered when Gen. George C. Marshall created the Army Service Forces and put Lieut. Gen. Brehon Somervell in command.

Few civilians even today know anything of the ASF. Its business is to bring order into the previously uncoordinated buying and selling of the Army.

The ASF buys everything with the exception of certain items for the Air



The next time you see this insignia remember that the man who wears it is saving you money

Forces. The postwar selling has already begun. The ASF will handle cut, and 3,600 of the suggestions were acted on favorably. The telephone was

The combination of the Army's buying and selling makes it beyond any question the greatest business organization on earth.

#### A hint at what it does

IT PROVIDES chaplains, lawyers, doctors and shoemakers. It transports everything to the thousands of places where they are needed. To do so it employs trains, fleets, jackasses, jeeps, camels, cargo planes and outboard motors. It builds troop encampments equivalent to cities of 50,000 population, provides them with the utilities, hospitals, police, disposes of the garbage and provides mosquito killers. It arranges for train, boat and bus service so that men on leave may go where the entertainment lights are brighter.

It gets the tanks, half-tracks, Garand rifles, Long Toms, trucks, jeeps, and padded automobiles for generals. It makes or buys the material that the worthier neighbors get on lend-lease.

That is only the sketchiest hint of its activities.

When the ASF went to work, it found the Army swathed in red tape. A Circumlocution System had grown up during the years of peace. Everything went through "channels." Papers were typed in 20 copies. Each copy must be read, referred and initialed by some one or other.

"It took longer to get a garage door for a general than it does now to move a division."

Orders went out to the Army that places must be found where the red tape could be cut. Every soldier was free to make a suggestion.

Six thousand places were found where red tape might be cut, and 3,600 of the suggestions were acted on favorably. The telephone was substituted for much of the paper work and desk-to-desk calls were encouraged to get rid of letter writing. The Army's letter writers were told to forget the "departmental jargon" and use clear-cut sentences and short words. Samples to be avoided are:

Facilitate—administer—scrutinize.

Exercise authority—relating to—
concerning

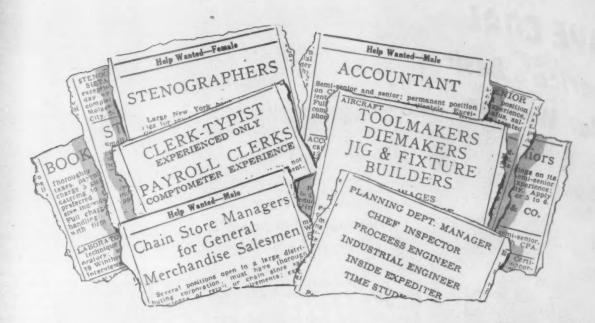
Study—effectuate—process Covering—pertaining to—take action on.

"Do not use the phrases 'maintain liaison with' or 'maintain contact with' unless necessary. Avoid the use of two or more words meaning substantially the same thing, such as 'collect, compile, assemble and maintain.'"

That's enough to show the new spirit.

In 1942, the Army's seven technical services were assembled in the ASF team. Every one knows of them. A

NAT



## WHY MORE EMPLOYERS ARE ADOPTING Employee Pension Plans

A suitable pension plan, soundly financed, establishes more stable, more satisfactory employee relations. Here's why, logically—

- 1. It relieves employees from worry about financial security in old age by providing benefits supplemental to Social Security.
- 2. It provides automatic retirement which keeps the avenues of promotion open to younger employees.
- 3. It affords an effective financial consideration for employees without increasing free spending power—coinciding with governmental anti-inflation measures.

Such a plan creates an impelling incentive for long-time loyal service, increases efficiency and decreases turnover, thus reducing payroll costs.

A 90-page summary of the fundamentals of formulating and financing pension plans is now available. There is no obligation entailed in writing for this study, so write us now and have the facts when you need them.

## THE CHASE NATIONAL BANK

Pension Trust Division

11 BROAD STREET

he

ac-

ent

he red on up of

ent s." 20

nd ne

get ento

to

ere

es-

es

be

ere

er

en-

to

ort

ac-

in

ng as in-

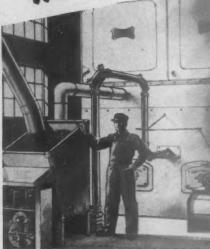
ew

43

Telephone HAnover 2-9800

**NEW YORK 15** 

# SAVE COAL America's Basic War Weapon



#### **IRON FIREMAN**

AUTOMATIC COAL STOKERS

## cut tonnage burned, saving you fuel, manpower and money

TODAY you can help speed the coming of Victory by reducing the number of tons of coal you burn in your building or plant.

of coal you burn in your building or plant.

Iron Fireman stokers will do this job for you by replacing old-fashioned hand-firing with modern automatic firing.

You will reduce operating costs. You also conserve labor in the mines, rail equipment, local trucking and boiler room manpower. You insure a dependable, ample steam supply, with pressure or building temperature automatically controlled.

Business men everywhere, facing fuel and labor shortages, are turning to Iron Fireman firing. A survey of your boiler plant, made without cost or obligation, will give you the facts—tell what an Iron Fireman installation will do for you. Our nationwide organization of experienced factory representatives and dealers is at your service. Write or wire Iron Fireman Manufacturing Company, 3454 West 106th Street, Cleveland 11, Ohio.



The cost of an Iron Fireman automatic coal stoker was more than offset by the savings in coal over an eight year period at Continental Lithograph Corp., Cleveland, Ohio. An additional amount of labor cost, equivalent to 50% of the cost of the equipment was also saved in this same period.



**Automatic Coal Stokers** 

general description of their duties is:

The Quartermasters Corps feeds and clothes the men.

The Engineers manage their roads and bridges and mines and supervise all construction.

The Ordnance Department provides the weapons.

Chemical Warfare Service provides gas and gas defenses.

The Signal Corps is responsible for all kinds of communications.

The Surgeon General's Office watches the Army's health.

The Transportation Corps carries men and supplies. They all fight.

#### Fighting against time

THEY had been independent and competitive.

In peacetime many agencies in the seven services received their powers and money direct from Congress. Lieutenant General McNarney, Deputy Chief of Staff, said that, even after the present war began, 40 major and 350 minor agencies reported direct to the Secretary of War. It was not possible to reform the cumbersome system immediately when we got into the present war. The Army was fighting against time in the effort to expand a force of 150,000 soldiers into today's 7,200,000. Prices went out of bounds. The services bought where they could—blankets, clothing, medicines, lands. Hotels were bought and hospitals built. Money meant noth-

The Army was making ready to meet the storm.

For reasons of convenience the country was marked off into nine Service Commands. Each was commanded by a major general and each contained many encampments where the men were assembled, trained, armed and eventually

assigned to their various units. Each had been autonomous, just as the seven technical services had been. It was desirable to preserve much of this antonomy, and yet subject all to a rule of overall law which would eliminate confusion, do away with competition, and make efficiency uniform. This overall law was vested in the ASF. Autonomy was not destroyed, but the Army's service forces became a team.

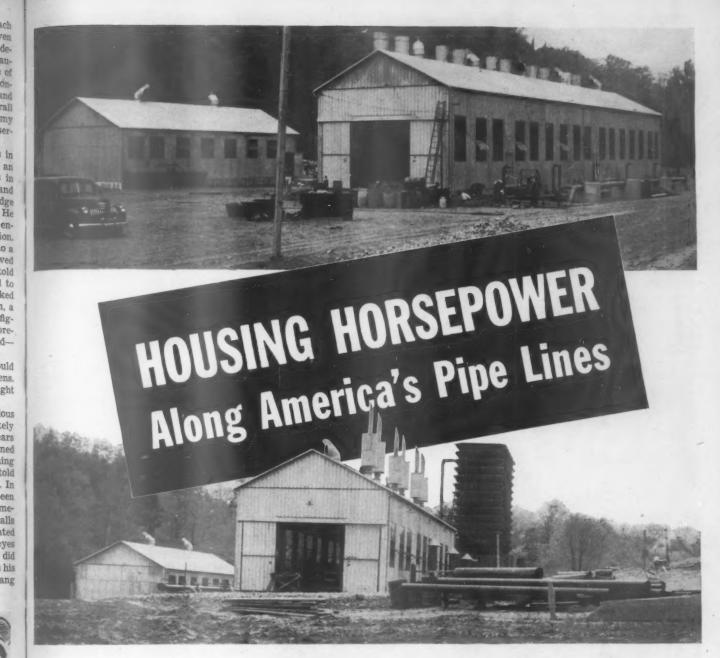
Somervell had certain advantages in dealing with this gigantic task. He is an Engineer, and the Army Engineers in peace times deal with business men and do business. They build docks, dredge rivers, improve harbors and the like. He had served as an Engineer in many enterprises and always with distinction. When the WPA in New York got into a terrible mess Harry Hopkins borrowed Somervell from the Engineers and told him to straighten it out. He needed to find out what it was he had been asked to straighten. He found John Witten, a young statistician with a passion for fig. ures. In a short time Witten had prepared a book which Somervell couldand did-carry under his arm:

"What d'ye want to know?" he would ask the committees of worried citizens. "I can tell you. I have the answers right here."

When the Army's first tremendous drive to get the things so desperately needed—remember that, for 20 years the Army had been starved—slackened sufficiently to show that the next thing needed was order, Somervell was told to get order. He did a helpful thing. In the First War, the providing had been done by the Service of Supply. Somehow, the doughboy—in this war he calls himself a dogface—took an unwarranted distaste for the SOS. He closed his eyes to the fighting the men of the SOS did and only remembered that sometimes his chow didn't get there on time. He sang



"Don't bring it to me. Take it to your mother when she gets home from the plant"



Early in their development, when pipe lines were used for crude oil only, Butler Built Steel Buildings marked their cross country course. Today, the horsepower housed in steel buildings made in Butler factories is measured in the tens of thousands. At isolated sites on the growing pipe line network they protect millions of dollars worth of power pumping equipment which, in effect, moves distant oil and gas fields and refineries "next door" to centers of consumption.

ach

onand rall my er-

an and He enion. o a ved

old to

fig-

uld ens. ght

ely ars

. In een alls

yes did his

143

In a score of other industries also, service records of Butler Built Steel Buildings date back more than 30 years. Factory fabricated for speedy, bolt-together erection, they lessen the overall investment. Structurally strong, fire-safe, readily insulated, heated or air-conditioned—they permanently house space for practically every type of operation. Their section-unit design makes them easily adaptable not only to present needs, but also to changing needs later.

Out of a vast production for lend-lease and war, many far-reaching improvements are emerging. Before you build, particularly any structure rated essential to the prosecution of the war, consult with Butler Engineers.

BUTLER MANUFACTURING COMPANY

KANSAS CITY 3, MO. GALESBURG, ILL. MINNEAPOLIS 14, MINN. Sales Offices—Washington, New York, Chicago, Atlanta, Shreveport. Export Office—8 So. Michigan, Chicago.





HERE are a few of the features we be-lieve you will want written into the specifications when you plan your boiler room and steam generating facilities for your industrial plant in the post-war world:

- a "show place" boiler room free of dust, ashes, clinkers, coal piles, litter and congestion.

- no high, costly, smoke and soot-belching stack.

no huge, ponderous boiler that requires numerous workers to wheel ashes, clean flues — keep it operating.

no questionable efficiency resulting in high fuel costs.

In keeping with these requirements you

will, without doubt, specify a Cleaver-Brooks oil-fired steam generator — 20 to 500 H.P. at better than 80% efficiency, pressures 15 to 200 lbs., according to your steam needs.

In no sense "new" or "revolutionary," Cleaver-Brooks steam generators have been tested by years of successful operating experience in hundreds of progressive industrial plants and in all branches of the military services.

modern, efficient Steam generators are an important division of Cleaver-Brooks manufacturing activities — now keyed to the needs of the nation at war. For the needs of a world at peace we are maintaining a continuing program of product research and development.

with great gusto a ribald little ballad:

"Mother, take down your service flag, "Your son's in the SOS."

Hence the change of the name to the ASF. Witten had been Chief Statistician in the offices of Quartermaster General Gregory. Somervell took him over. He is now Lieutenant Colonel Witten. Mark Cresap was picked from business as head of the Division of Administrative Management. He is now Lieutenant Colonel Cresap. Other men were called in from such business concerns as Sears Roebuck, International Business Machines, General Mills, Lehman Brothers, Bell Telephone, American National Bank of Chicago, John B. Stetson, American Meat Packers Institute, and Marshall Field. These are all great establishments, the men were key men, and were accustomed to quick decisions and decisive action. The 40 or 50 key men in the ASF average about 36 years old. There is no prejudice against older men but few can stand the racket.

#### New system installed

THE first decision was that the ASF was too big to be managed from Washington. One man cannot sit at a desk and see everything. The ASF was decentralized, by Somervell's orders, and a new system erected. The system is not new in business, of course. A great corporation gives its division chiefs responsibility and power and holds them responsible for results. The various elements of the seven technical services and the nine Service Commands were informed of the new system and, after the bugs were worked out, began to make it tick.

The Control Division overall set up 250 control divisions in the seven Services and the nine Service Commands and the almost innumerable depots and arsenals and ports. The Control Division has no direct administrative authority. It issues no commands. It sees that the various commanding officers get full information on what is going on in their commands. Confidential monthly reports are made on such subjects as manpower, procurement, and the like. Digests from these reports move upward through channels until they finally reach Somervell.

THE

Pioneer

The i

Automo

the smo

over its p

building

and ope

There

Comp

pooled!

mell of

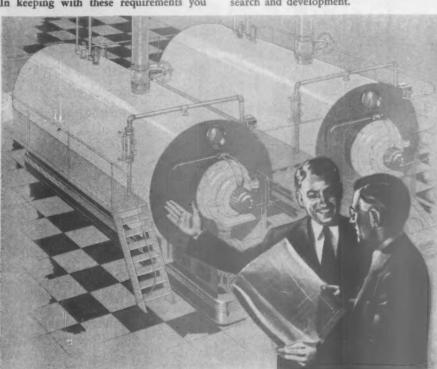
heir voi

the roar

"Give me only what I can absorb," is his order.

Sometimes the Control Division suggests policies to General Somervell, sometimes it criticises those in force. It has asked for changes in statutes, the directives issued by other authorities, and in regulations. The business of the Control Division is to get before Somervell every bit of needful information with such comments as may aid him. They have in turn gone over the desks of Brig. Gen. Clinton F. Robinson, director of the Control Division, and Maj. Gen. W. D. Styer, Chief of Staff.

Studies of work simplification have resulted in the elimination of 649 forms, records and reports and 491 duplicating functions have been abolished. The Philadelphia Signal Corps Procurement district now handles 425 items daily as compared to 250. One program alone re-



## Cleaver & Broo

MILWAUKEE 9, COMPANY

WISCONSIN



CLEAVER-BROOKS PRODUCTS INCLUDE:











Steam Generators Food Processing Equipment Tank Car Heaters Oil & Asphalt Heaters Special Military Equipment



THE SPIRIT of the Automobile Pioneer . . . still leads us on.

in-

as

ke.

ugell,

. It

the

the

ion

[aj.

ave

hil-

as

The infamy of Pearl Harbor found the Automobile Industry ready. Scarcely had the smoke cleared before it was changing over its production lines—where necessary building additional factories in swamps and open fields.

There was no such word as "Impossible"!
Competition was adjourned! Patents
pooled! Men and Management, with the
mell of hot oil in their nostrils, raised
their voices in earnest collaboration above
the roar of furnaces and the scream of

steel on steel-it could, it would be done!

Lucky for America, lucky for all the world, that someone had worked out the magic of mass production! That someone had the needed production capacity ready! That somehow there were millions of skilled workers ready, eager and able to hurl back the Axis' challenge.

Jeeps, trucks, all manner of motorized equipment rolled off the production lines! Countless tanks roared into battle! American-built planes blotted out the sun! The miracle had happened! In one year we had passed the Axis, in spite of its 16-year start on us! To this undreamed of avalanche of production, spear-headed and inspired by the Automobile Industry, our enemies can now have but one answer:

"UNCONDITIONAL SURRENDER!"



HOUDAILLE\* cherishes its long and close association with the American Automobile Industry—and will strive increasingly to hold a growingly honored place in its ranks.

#### HOUDAILLE-HERSHEY CORPORATION

Executive Offices - Detroit

Manufacturers of precision parts and equipment for the automotive, aircraft, railway, maritime, electrical refrigeration, radio, and other industries

1040, HOUDAILLE-HERSHEY CORPORATION

\*Pronounced: "HOO-DYE"



# Let's Face It... There is no SANTA now!

• f all the gifts in all the world, there's only one that haunts our hearts and minds this Christmas. One gift, doubly longed for because it has been so long denied us.

#### PEACE

But there'll be no Peace without Victory, and Victory is never a gift. We won't find Santa Claus popping down our chimney with Victory wrapped in a pretty red ribbon, while "visions of sugar plums dance through our heads." Victories are bought and paid for.

Some pay the price of sacrifice and sorrow . . . some of us are spared. But on every one of us, in fullest measure, falls the priceless privilege of paying all we can.

That's why we say, "This Christmas, make your gift the promise of a brighter, better day." Ohmer Register Co., Dayton 1, Ohio.

GIVE WAR BONDSI ALL YOU CAN!

## OHMER

CASH REGISTERS for every type of retail store FARE REGISTERS and TAXIMETERS for transportation TOOL CONTROL REGISTER SYSTEMS for industry sulted in the reduction of 15,615 in personnel. There were 1,500,000 military personnel and 1,000,000 civilians in the ASF. Already 105,000 have been dropped from the rolls. The 15 gangs unloading freight in New York Port of Embarkation were reduced 30 per cent. One three part form was substituted for ten shipping tickets, packing lists, tally-ins, tally-outs, and hatch tallies previously used. Shipments go out accompanied by complete papers and there is no longer any guessing on the other side as to what cargo is in the holds. General Marshall has praised the operations of the ASF:

"Very impressive," he said.

Somervell has issued an informal standing order:

"Don't eliminate red tape. Tear it out by the roots."

#### **Buys 700,000 items**

IN ITS buying, the ASF deals with 700,-000 items, 50,000,000 pounds of food each day, innumerable ships and trains. It keeps its merchandise in warehouses which equal in floor space 80 Empire State buildings. In the United States alone it has built barracks which would house the populations of Chicago and Detroit. It operates a chain of 1,000 movies in the western hemisphere alone. More than 500,000 prime contractors and almost 1,000,000 subcontractors deal with it. The supplies it has bought range in weight from port cranes to black widow spider webs.

This buying is going on constantly. Now the postwar selling has begun.

The ASF will do some of the selling. No one knows how much. Every one realizes that, if the selling is not well

directed, the confusion that followed the First War will be repeated. The United States gave away millions of dollars worth of prime material then. Other millions were sold at bargain prices which for a time almost crippled the retail business men of this country. Shoes were on sale at two dollars a pair, woollen shirts at a dollar, underwear for about what the buyer wanted to pay. Fine rifles could be had at one time for \$2. Machine guns which were to be so useful in the prohibition era to come were exhibited with price tags attached on Pennsylvania Avenue.

The recollections of this shameful period are still vivid.

The ASF has sold some things, which are obsolete or which have been overstocked, and has traded thousands of other items between the services. But, when the big postwar selling begins, some machinery

must be set up to handle it. The ASP has scheduled thousands of items-not necessarily obsolete now but which will be when the war is over-so that it will know where it stands. There is a plan afoot to set up a selling unit in the Office of War Mobilization, which must of necessity work closely with the ASF The Administration is backing a bill now in Congress which would give legal endorsement to the President's plan to lodge policy power on surplus property disposal with the Budget Bureau. This might make it possible for the Executive to give away arms and other material to deserving small nations after the war. A Federal Property Utilization Branch has been set up in the Treasury Procurement Division for the purpose of disposing of the goods that no one needs. The Navy and the Maritime Commission and other agencies and departments may put in claims for desired items.

An "item" in war may be numbered

An "item" in war may be numbered in the millions and weigh hundreds of thousands of tons.

At this moment the postwar selling plans are in a state of high confusion. But no one knows when the war will end. Nor does any one know what will be surplus or obsolete. The present effort is to work out some coherent plan for selling, and, in that plan, the ASF must, of necessity, play a great part.

Nothing on earth is more wasteful, confused and extravagant than war, but the ASF under General Somervell has been trying to attain something like business order.

Next time you see a young man wearing on his sleeve a blue star scalloped with white and ringed with red look at him. He's one of the ASF.



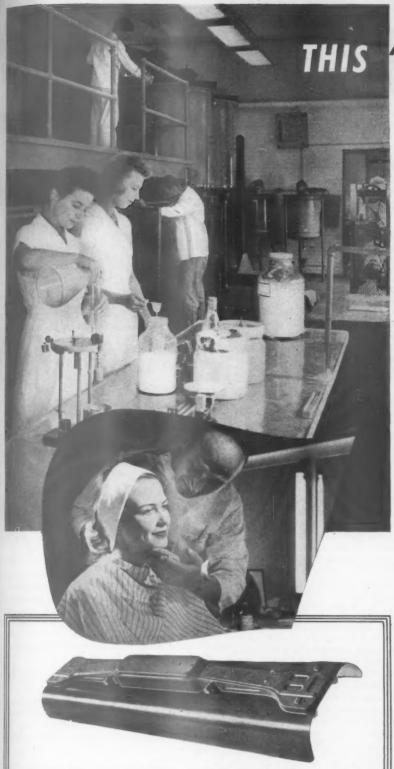
"I haven't the money. I thought the Government allowed everyone \$200 worth of repairs!"

INCAN

RADIO

NAT

NATION'S BUSINESS for December, 1943



fice

bill gal to rty his

cu-

nts

red

ıst,

ul,

but

ike

ped

THE FIXTURE OF THE FUTURE. This new fixture, which challenges comparison with any other in the fluorescent field, is much more than a design to save critical war materials. Its non-metallic reflector has an efficiency of 86 per cent—actually more than that of enameled metal. The streamlined top housing encloses the ballast—protects it from dust—provides cool performance.

INCANDESCENT LAMPS, FLUORESCENT LAMPS, FIXTURES AND ACCESSORIES, RADIO TUBES, CATHODE RAY TUBES, ELECTRONIC TUBES AND DEVICES

NATION'S BUSINESS for December, 1943

# THIS "POWDER ROOM" knows no noses

THE coating of powdered phosphors inside a fluorescent lamp must be smoother than the powdered nose of the loveliest star in Hollywood.

At Sylvania, there is a "Powder Room" dedicated to microscopic smoothness. Research engineers have developed special methods of grinding, milling, and blending micro-fine "powdered daylight" which is vital to the electro-chemical production of cool, shadowless, and glarefree fluorescent light.

They "baby" these powders through a series of painstakingly exact processing and inspection steps. The smoother the coating, the more uniform are the light output and color from end to end of the fluorescent lamp.

Ten years of independent and aggressive research by Sylvania have contributed importantly to the widening use of fluorescent lighting for precision production in war industry. This same research will also supply the American homes of the future with the most efficient and economical lighting known.

For smoother coating, more light output, longer life, and uniformity of color, specify Sylvania Fluorescent Lamps — for initial installations and replacements.

## \* SYLVANIA

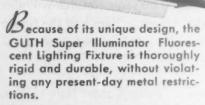
ELECTRIC PRODUCTS INC.

500 FIFTH AVE.

NEW YORK 18, N. Y.



### The Newest and Best In Fluorescent Lighting



Die-stamped from a single sheet of steel, the Top Housing is attractive, simple, practical—a sleek, efficient unit that does the job right! The Masonite "Reflector Board" Reflector is formed in our own plant, and finished "300° White" for high lighting efficiency.

Attack darkness—the enemy of production-with light-with GUTH Super Illuminators! Write us today for detailed Bulletin.



## Washington War Survey

From the Records of the U.S. Chamber's

War Service Division

Controlled Materials—WPB announces establishment of central materials reserve from which, beginning with first quarter of 1944, all allotments of controlled materials for construction and facilities, except to certain specified military, naval and other programs, will

Prices and Rationing—OPA places walnuts, almonds, filberts and pecans under price control . OPA amends fuel oil rationing regulations to permit issuance of rations for use in new fuel oil burners if new equipment replaces wornout burners and results in increased efficiency.

Cost of Living-President appoints five members of National War Labor Board as committee to investigate all phases of cost of living, report to be made within two months.

Food for Civilians-War Food Administration directs canners to release from contingency reserves 900,000 cases of peaches, 1,080,000 cases of peas, 810,000 cases of ketchup. Set-aside requirements for dried and split peas are removed, and reservation order on dry edible beans reduced by one-third.

Production-In October, merchant shipyards delivered 163 cargo vessels aggregating 1,675,311 deadweight tons, bringing total 1943 deliveries to 1,524 ships totaling 15,501,624 deadweight tons, announces Maritime Commission . WPB Chairman reports production of all types of aircraft reached new high of 8,362 planes, including largest number of heavy bombers ever produced in one month.

Petroleum Products-Petroleum Administrator reports daily delivery to fighting forces of more than 50,000,000 gallons of all types of petroleum products.

Natural Gas-Office of War Utilities bans delivery of natural gas this winter to industrial consumers in states of Ohio, Pennsylvania, New York, Virginia, West Virginia, Maryland, District of Columbia and part of Kentucky, who can operate at capacity by burning residual fuel oil.

Tire Replacements—Commercial vehicles which deliver medical supplies, drugs, laundry, dry cleaning and essential foods made eligible to receive used passenger tires and used truck tires of sizes smaller than 7.50-20 to replace tires no longer serviceable, says OPA.

Navy-Navy reports more than 100,000 Seabees now serving overseas; almost same number in training . Recruiting officers instructed by Navy Department to enroll, in non-restricted manpower areas, skilled craftsmen for service with ship repair units at sea or advanced bases.

Dependency Allotments-Director of Office of Dependency Benefits announces that soldiers' dependents must fill out and return as soon as possible a new onepage certificate in order to receive increased allowances.

Canada on Food Board-State Department announces acceptance by Canada of membership on Combined Food Board.

Wages and Salaries—NWLB exempts country grain elevator establishments employing not more than eight persons from applying to Board for approval of wage and salary increases, even if constituting part of chain employing total of more than eight persons.

Ruling on Fair Work Order-President orders that all contracts made by Government with private manufacturing or service firms must contain clause barring racial discrimination.

Food for Shipyard Workers-Maritime Commission announces plants to provide better food and feeding facilities for shipyard workers on the job.

Sale of Surplus Materials—Navy reports arrangements for establishment of approximately 12 offices to facilitate merchandising, on the open market, of all salvage and surplus property no longer of any use to Navy or other gov-E. L. BACHER ernment agencies.

was

Divid

despe H

stock

board

estate agen

stran hard

the b

cann NAT

D





# The closed (?) corporation

A CLOSED corporation is often thrown wide open by the death of a principal stockholder. The good of the business which was his career is not his widow's concern. Dividends, uninterrupted and generous, are a desperate necessity for her.

Her stock entitles her to his place on the board. But neither she nor the executor of the estate can take her husband's place in the management. However well-intentioned, these strangers to the management's problems are hardly in a position to know what is best for the business, and yet they have stock to vote.

ar-

of

13

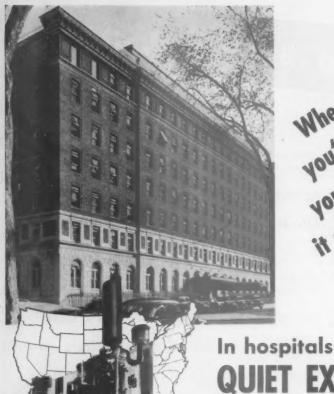
Don't let this happen to your business. It cannot happen if you have a stock purchase NATION'S BUSINESS for December, 1943

agreement and Northwestern Mutual Business Life Insurance to provide the money.

Under such a plan, the widow's interest may be liquidated on a basis fair to her and to the business. This life insurance has a steadily increasing cash value which provides a valuable surplus account—a not unimportant factor.

Now, as a business man, you will want to make the very best life insurance investment. Then, remember, that the difference between life insurance companies is significant. Before you take action, do two things . . . (1) see a Northwestern Mutual agent; and (2) check with any of our policyholders, for they can tell you, better than we can, why no company excels Northwestern Mutual in that happiest of all business relationships . . . old customers coming back for more.





you want it quiet

QUIET EXHAUSTS ARE IMPORTANT

A self-contained Diesel plant offers advantages to a hospital, just as in many other types of installations. Requirements for quiet, however, are most important.

The Mt. Sinai Hospital in New York City is only one of those having Diesel engines equipped with Burgess Snubbers-the modern means of eliminating exhaust noise complaints. Burgess Battery Company, Acoustic Division, 2823-F W. Roscoe St., Chicago 18, Ill.

Originators of Snubbing Principle for Quieting Diesel Exhausts



In Industrial Plants, too

Burgess Snubbers are providing quiet

exhausts from coast to coast. A few

Ice plant, Tuckahoe, N. Y.

Laundry, New York, N.Y.

Envelope company, Chicago, III.

Dye works, Woonsocket, R. I.

Pumping plant, Ventura, Calif.

These plants make good neighbors,

because their Burgess Snubbers elimi-

nate exhaust noise nuisance.

typical plants are:

BACK THE ATTACK BUY VAR BONDS

#### Property, the Basic **Human Right**

(Continued from page 27) in the army. Within a plant there cannot be a majority vote on the rate of production or a poll on the acceptance of difficult contracts. The Russians began to run their state industry in much that way and soon gave it up.

the

of t

JU

NAT

But the fact that, in the privately owned economy, property rights are widely subdivided means that no employer's discipline over his employees is absolute or need be permanent. When (in peace time) John Doe finds it impossible to endure the tyranny of a bad employer, he can move on to the property and into the employ of a good employer.

The careless thinkers argue that the cure for the tyrannies of a bad employer is state control of industry. Their cure for evil limited in extent by property rights is thus greatly to extend the area in which this evil could operate by surrendering enterprise to the total power of the state. When that occurs, the man who thinks himself ill-treated can't change his employer because his employer controls all the jobs there are.

The assumption of the shallow thinkers, of course, is that the state as employer will invariably be benign, but the benevolent tyrant is the exception in the long and bloody story of tyranny.

If industrial discipline is to be exerted then-and decidedly it is-its exertion via the agencies of private property cuts down the chances of its abuse. The cure for the tyranny which the private employer visits on John Doe is not to turn industry over to the Government but to hold faster than ever to a system of property rights which limits the scope of the tyrant's power.

#### Concentration of power

THAT is the essence of the matter: Private property is to the concentration of power what water is to fire. Power, in the only real sense there is, is control over physical objects. It is the power to give or deny sustenance to men, the power to apply or withhold from their backs the slave-driver's whip.

Such control over the things men live on and by and with, if concentrated in a single hand, is monstrous and terrifying.

But private property atomizes the control over physical things. It cuts such power into a billion little pieces and builds those pieces into a vast system of mutual set-offs, into a pattern of competition of private man against private man, and private men against the Government. Private property gives the tyrant only a relatively small scope for his tyranny. But it also gives the good man a secure place within which to practice his wisdom and his kindness. It guarantees, indeed, that the good man, as he prospers, will be able to expand the little dominion in which the John Does in general may enjoy the

# As Smooth as a Waltz

The full, fine flavor of Schlitz is loved all the more because it is neither harsh nor bitter. Brewed with just the kiss of the hops, America's most distinguished brew achieves the smoothness so greatly desired by those who want fine beer without bitterness.



BEER THAT MADE MILWAUKEE FAMOUS

NATION'S BUSINESS for December, 1943

ver

n't

nkthe the

tion cuts ure emurn t to cope

n of r, in ntrol OWer , the their live. in a ying.

such and rstem en of

t prit the es the e for good

iness.

h the y the

1943

87



"Strategic in war, strategic in postwar...that's why I'm interested in Metropolitan Oakland Area. It's the logical industrial center of those Eleven Western States where most of our raw materials come from.

"Why ship those materials east, and then pay big freight charges to get our finished goods back to the Coast markets? We'll make our stuff out there!

"John, we've got to get our Metropolitan Oakland Area plant down on paper NOW, so we can jump into the Western picture the minute the war comes to an end."

METROPOLITAN

KLAND AREA

MAGNESIUM, chlorine, chrome, manganese, tungsten, rubber, lumber, cotton, steel, and many more are produced in the West.

Add most central location in relation

Add most central location in relation to huge markets...most favorable distribution costs...unexcelled factory sites...enormously increased hydroelectric power...a great reservoir of skilled labor...and you begin to get the outline of our story.

Why not ask us to fill in the details? In a Special Survey directly applied to your particular operation.

METROPOLITAN OAKLAND AREA
389 Chamber of Commerce Building
Oakland, California 2311
ASANTON - SAN LEARDON - RUBAL COMMUNITIES OF ALAMEDA COUNTY

DA - ALBANY - DERKELEY-EMERYVILLE-NAYWARD - LIVERMORE - OAKLAND - PIEDMONT - PLEASANTON - SAN LEANDRO - RURAL COMMUNITIES OF ALAMEDA COUNTY

SMARCK

PLOTEL

Too IMPORTANT to be OVERLOOKED. And postwar

planners are not overlooking the industrial expansion now taking place in the Central West and Southwest served by Missouri Pacific Lines. They know that the same factors responsible for tremendous war production—raw materials, climate, fuel and power, labor supply and transportation—will work as effectively for peacetime business and industry.

This territory has been thoroughly surveyed by Missouri Pacific industrial engineers who will be glad to supply accurate data on available plant sites and areas most promising for expanding business and industry. Your inquiry will receive prompt attention; write or wire

J. G. CARLISLE
Director
Industrial Development
1710 Missouri Pacific Bidg.
St. Louis (3), Mo.



benefits of his qualities. Indeed, it offers a way for John Doe himself to get property of his own.

And just as private property checks and balances the private man against the private man, so it checks and balances government, which is another company of men, against the whole community of men. It guarantees that government will keep within the narrow area laid down in the Constitution. It sets a limit beyond which the police, the soldiery and the bureaucrats cannot penetrate. Above all, by giving the private man command over certain physical objects, it puts a weapon in his hands by which to hold government to its pledge that faiths will be respected, homes held inviolate and freedom in general kept free.

the leg

excelle

propos

form it

legislat

and onl

Less th

or thre

total n

holders

ing or

Senato

gress.

one in

of all

favor c

They 8

saving

suranc

few ar

A maid

York b

for. Sh

annual

cent. A

first di

that bu

way o wouldr paying

The man of 100 sh

CO

Lar

"lam

emplo

NAT

They

Stoc

Nor does the emergence of big business in any way alter the argument. Everything that can be said of the business run personally by the individual proprietor 100 years ago applies to today's corporate enterprise run by hired management and owned via a vast diffusion among the public at large of paper documents called stock certificates.



#### For Young Canadians

To make it easier for mothers of young children to work in Canada's war plants, the federal and provincial governments are together supporting a chain of day nurseries.

Shown here is a voluntary worker (in her uniform with its special crest) and one of her young wards at the nursery in St. Catherines, Ontario, where the General Motors subsidiary, McKinnon Industries, Ltd., is located. Nineteen government nurseries are already in operation in Ontario and Quebec and others are to be opened shortly in western Canada.

BISMARCK

DIFFICULTIES
OF WAR TIME TRAVEL
CAN BE LESSENED BY
MAKING HOTEL RESERVATIONS. WE CALL
YOUR ATTENTION TO
THIS BECAUSE 50
YEARS OF SERVING
OUR GUESTS HAS
TAUGHT US THAT OUR
GREATEST ASSET IS
GOOD WILL.

OTTO K. EITEL
Ménaging Director

NATION'S BUSINESS for December, 1943

#### The Unpredictable Stockholder

(Continued from page 26)

op-

nst

al-

her

m-

ov-

OW

It

the

not

ri-

rsi-

ids

its

ed.

Dv.

ess

or-

ge-

ion

ts

ry he the legislation acknowledged had an excellent record by the standards of the proposed reform law, took pains to inform its stockholders about the pending legislation threatening their interests, and only one in 70 took occasion to write. Less than half of those who did write—or three-quarters of one per cent of the total number of the company's stockholders—indicated that they were writing or wiring their opinions to their Senators and Representatives in Congress. Of those who wrote the company, one in 25—one-sixteenth of one per cent of all stockholders—said they were in favor of the legislation.

Stockholders are not a class apart. They are the same persons who have savings accounts and who buy life insurance policies and war bonds. Only a

few are speculators.

They buy stocks for different reasons. A maid who worked for a family in New York bought 15 shares of the preferred stock of the company her boss worked for. She got a gilt-edged stock of \$50 par value at \$30 per share with a \$3 annual dividend, a return of ten per cent. And she was astonished when her first dividend check arrived; she thought that buying stock was just a nice safe way of keeping her money so she wouldn't spend it—and here they were paying her for keeping it.

The average stockholder is the "little" man or woman who owns from five to 100 shares—sometimes as few as one

or two shares. Most companies have found that at least three-quarters of the stockholders on their lists own on the average fewer than 100 shares each. There are the "average" stockholders, backbone of American business and industry, buyers of widely distributed securities. Unfortunately they usually regard stock ownership, not as property in the same sense as houses and lots, but as investment for dividends and possibly capital gains.

#### Why reduce dividends?

THERE is a couple in Connecticut who own a few shares of stock in several companies, all bought on their own budget plan, all for safe investment return and not capital gain. The woman of the house manages these investments and carefully tags the income in her household budget. A drug company happens to pay dividends monthly so by budget allotment she simply endorses the two-dollar monthly check over to the garbage man whose fee for service is just that amount.

She says this simplifies matters, and saves check-cashing charges at the bank. The garbage man has been getting his endorsed check regularly, but the woman has been distressed because she has been getting smaller or less frequent checks from some of her companies. She doesn't like this because it disturbs her budget arrangements. She can understand people getting cuts in wages and

salaries some times, but why should companies reduce dividends in wartime when they are doing more business than they ever did?—especially when wages and salaries are

not being cut!

It was suggested to her that perhaps the company reports gave some clue. She had not read the reports. What good was all that? She and her husband had bought these stocks to get dividends; they were not interested in market quotations, or in the details of the companies' operations, what the companies paid out in pay roll and taxes and what they did about this and that—all that was for the managements to worry about.

This woman may not be a typical stockholder, but she expressed a point of view which is not uncommon. She was not interested in the fact that she and her husband were part owners of the companies whose stocks they held. It happened that they also owned some bonds, but bonds and stocks were all the same to her.

"What difference does it make?" she wanted to know. "Don't they run the company? My little vote isn't worth any-

COMPLAINTS S

"I am sorry, madam, but we accept only employees' complaints against customers"



Yes! You can produce economically in Santa Clara County—and efficiently too. Manufacturers tap the greatest electrical power pool in the world. There is abundance of natural gas and water. Labor is plentiful and willing. Transportation by water, rail and truck line. And location . . . in the center of Coast population, and adjoining San Francisco Bay... makes Santa Clara County the logical spot for your Pacific Coast plant.

#### WRITE TODAY!

Get the facts! "Post War Pacific Coast" presents the factual story of Santa Clara County. Write for it today

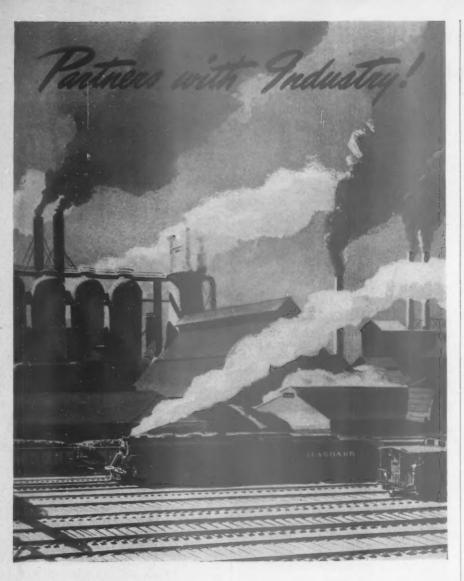
Post War presents of Santa Write ay

SAN JOSE CHAMBER OF COMMERCE SAN JOSE, CALIF.





The population center of the Pacific Coast



The railroads of America are backing industry to the limit in the war of production. Only the close coordination born of a common cause could result in the extraordinary achievements of transportation and industry since the war began.

For many years the Seaboard Railway has recognized the interdependence of industry and transportation. On the established principle that the welfare of the railroad depends upon the prosperity of its patrons, the Seaboard has been working over a long period of time for the economic development of the territory it serves.

The Seaboard's interest extends beyond the location of new plants. It is equally concerned with the success of all industry served by its Line. Its policy is to provide adequate service and to adjust the freight rates on raw materials and finished products to enable these industries to compete with similar industries whether located in the South or elsewhere.

Remarkable progress has been made in the industrial development of the South in recent years. Present indications point to further expansion in the post-war period.

Seaboard will work in the future - as in the past - as Partners With Industry.

BACK THE ATTACK WITH WAR BONDS ONE OF AMERICA'S RAILROADS . ALL UNITED FOR VICTORY

thing. Besides, the officers aren't interested in us; they pay themselves fat salaries whether the company's paying dividends or not."

Incid

paid in way of

regular

holder

after h the nar

his gra

gether

that he

than \$

could n

of the

one of

receive

TODA?

ments : cism b ments

salarie amoun taxes. 1

where in the ninetie All 1 better able m tant p mainta relative of the shares No r pleasin manag to info their a making er rela Of co holders waste are ge cerning Man

this po

holders

to mai

sion ab that, in

cultiva

private

educat mation

cult to

made a

ily to the fu

audito

asked

ports:

cent o them.

ports v

age st

prising the wo men sa Sur

whom

says. unders a new

ing.

NAT

Seve

So I

The Securities and Exchange Commission has been trying to solve the problem of the "little" voter for years. That problem will be solved not by Commission rules and regulations as such-only by intelligent interest expressed by individual stockholders. Intelligent corporation executives know this so, far from ignoring the "little" stockholders, they coddle them.

They know they can depend upon the big stockholders to analyze barance sheets and income statements, but that they have to lay it on the line in words of one syllable for the "little" men and women.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACTS OF CONGRESS OF AUGUST 24, 1912, AND MARCH 3, 1933, Of Nation's Business, published monthly at Greenwich, Connecticut and Washington, D. C. for October 1, 1943.

Business, published monthly at Greenwich, Connecticut and Washington, D. C. for October 1, 1943.

City of Washington, County of District of Columbia, ss. Before me, a Notary Public in and for the State and county aforesald, personally appeared Merle Thorpe, who, having been duly swom according to law, deposes and says that he is the Editor of the Nation's Business, and that the following is, to the best of his knowledge and helief, a true statement of the swinership, management, of the aforesald publication for the date shown in the above caption, required by the Act of August 24, 1912, as amended by the Act of March 3, 1933, embodied in section 537, Postal Laws and Regulations, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business manager are; Publisher, Chamber of Commerce of the U. S. of America, Washington, D. C.; Business Manager and Assistant Editor and Publisher, Lawrence F. Hurley, Washington, D. C.; Business Manager and Assistant Editor and Publisher, Lawrence F. Hurley, Washington, D. C. 2. That the owner is; Chamber of Commerce of the United States of America, said body being an incorporated organization under the laws of the District of Columbia, its activities being governed by a Board of Directors. The officers are sofollows: President: Eric A. Johnston, President, Brown-Johnston Company, Spokane, Wash. Yiee Presidents: William K. Jackson, Vice President, Eric A. Johnston, President, Brown-Johnston Company, 1 Federal St., Boston, Mass.; Carl D. Brorein, President, Peninsular Telephone Company, P. O. Box 110, Tampa, Fla.; Roy C. Ingersoil, President, Ingersoil Steel & Discivision, Borg-Warner Corp., 310 S. Michigan Ave., Chicago, Ill.; Bernard F. McLain, Secretary-Treasurer & General Manager, Hart Furniture Company, 1933 Elm Street, Dallas, Texas; Albert C. Mattel, President, Pullsbury Flour Mills Company, Metropolitan Building, Washington, D. C. General Manager: Ralph Bradford, Chamber of Commerce, U. S. A., 1615 H Street, N.W., Washington, D. C. General

WALTER HARTLEY (My commission expires August 15, 1947)

NATION'S BUSINESS for December, 1943

90

Incidentally, big salaries cannot be paid indefinitely out of deficits. In the way of salary criticism, one company regularly received a letter from a stockholder in Rhode Island who also added after his signature his degree of Ph.D., the name of his college and the date of his graduation in the early nineties, together with the excoriating statement that he never was able to make more than \$2,000 a year and he therefore could not understand why the president of the XYZ Company, of which he was one of the small owners, was entitled to receive many times that amount.

b-

on

di-

a-

ey

he

ds

nd

ess W-

an the ovas nt, ice nt, on, el-

mng-

nd per res,

#### Can't please everyone

TODAY, many corporation managements are trying to combat salary criticism by printing in their proxy statements not only the gross amounts of salaries of executives but also the net amounts after provision for income taxes. It's a good idea, but it will get nowhere with a stockholder who has been in the \$2,000 bracket since the early nineties.

All managements can hope for is a better yardstick, with the plea that able men are needed to manage important properties, and that the cost of maintaining competent management is relatively small on the bases of the size of the property and the number of shares of stock outstanding.

No management ever will succeed in pleasing all stockholders. But those managements that use every wise effort to inform them and to gain and preserve their understanding and support are making the most progress in stockholder relations.

Of course, they know that many stockholders throw company reports in the waste basket; but they also know they are getting new readers, and more discerning ones, every day.

Managements that are now pursuing this policy also realize that while stock-holders en masse have yielded control to management, they could by persuasion abdicate in favor of government and that, in the meantime, they are worth cultivating as friends and supporters of private enterprise.

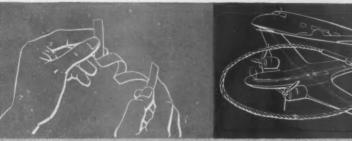
So management keeps on trying to educate by giving more and more information. How well they are doing is difficult to measure.

Several years ago a New York firm made a survey of stockholders, primarily to find out whether they understood the functions and responsibilities of auditors. First the stockholders were asked whether they read company reports; 81 per cent of the men and 69 per cent of the women said they did read them. To the question whether the reports were written in language the average stockholder understands, the surprising result was that 75 per cent of the women and only 56 per cent of the men said yes.

Surprising, indeed, if women—to whom the man of the house indulgently says, "That's something you wouldn't understand"—were to lead the way in a new birth of stockholder understanding.

#### **NEW SKILLS WE HAVE LEARNED**

# For Now and Tomorrow



ROLLING STEEL TO .0015—it looks almost like metal foil, this high-grade, high-carbon steel for war gauges.

PACKAGED AIRCRAFT CONTROLS—complete assemblies of aircraft control cord and terminals speed plane production.



**2KIN-TICHT ARMOR FOR MACKET WIRE—a synthetic insulation, compact, abrasion-proof, boosts electrical apparatus capacity.** 

SLING WITH A NEW SLANT—Roebling "Flatweave" Sling has basic improvements for better, safer lifting, longer life.



ALUMINUM OVERCOAT FOR A STEEL CORD—the dural coat of Roebling "Lock-Clad" Aircraft cable keeps control responsive despite temperature changes.

BUILT-IN HAND FOR A MUSCULAR ARM—on wire ropes up to 1½ "diameter, fittings are swaged on, eliminating laborious splicing in the field.

BEHIND THESE developments-for-war are new skills of all kinds that we've learned, to build for Victory—and beyond. In the application of wire rope, in its making, in the rolling of steel, the production of electric wires and cables, the weaving of wire screen.

These products, and the skills that

developed them, are ready for your war uses now. After Victory, they will be available to improve the peacetime products that American mass production will build, economically and well. JOHN A. ROEBLING'S SONS COMPANY, Trenton 2, New Jersey, Branches and Warehouses in Principal Cities.

## ROEBLING



#### PACEMAKER IN

Wire Rope, Strand, Fittings Division Aircord Division Electrical Wire Division

#### WIRE PRODUCTS

Round, Flat Wire Division Woven Wire Fabric Division Suspension-Bridge and Cableways Division

#### When Industry is Mustered Out

(Continued from page 24)

This work is being completed at the rate of \$4,000,000,000 a month net, after allowance for new contracts placed. Measured in employment, something between 10,000,000 and 15,000,000 jobs are at stake in prompt termination settlements.

Labor has already proposed that sixmonths' dismissal wages be paid to workers released from war production. Such dismissal wages, if approved by Congress, would be covered in the final termination settlement to the contractor.

On settlements made thus far, the principle has been stated, but not always adhered to, that the contractor should receive full cash payment for all goods actually completed, regardless of delivery schedule. In addition, he is entitled to receive 85 per cent of the cash paid-out value for materials on hand—as distinguished from current market value at the day of settlement.

These terms, together with the mechanism of the VT loan and possibly the tax withholding privilege, would assure

a short-time turn-around operating fund. But they make no provision for settlement on special war plant and tools. Furthermore, these terms, as now applied, entail individual settlements on each contract, an inevitable source of administrative delay, accounting and legal log-jams, misunderstanding, friction. It is estimated that the termination procedures ultimately will touch at least 1,000,000 separate claims, each to be investigated, negotiated, audited, certified and settled.

After World War I, the average contract settlement was made in two years in those cases where an agreement was reached, and three and one-half years, average, in those cases which fell into dispute for judicial review. To avoid this catastrophic interim, Congress has considered one suggestion to have the Government buy all undeveloped claims for cash, on an estimate basis, at the moment of the contract termination. This temporary settlement would be somewhere in the neighborhood of 60 to 75 per cent of the estimated value of the final claim, as submitted by the contractor, the balance to be paid at the time of the audited agreement.

Special provision also must be made for handling terminations of all contracts still in process of renegotiation. Where renegotiation still is open, the whole problem of basic cost and price obviously is up in the air. There then would be no beginning point for a termination settlement, save by some more or less arbitrary formula designed to

protect the contractor against a difficult and protracted case of frozen assets. Failure to provide adequately for this special type of case would entail terrific hardship for thousands of contractors still going through the renegotiation mill.

The experience of one war contractor, as related before the Senate Military Affairs Committee, illuminates the whole range of these acute business problems. To protect information of possible military value, the narrative is recited without identification of the contractor; but the president of the corporation told the story. We will call him Mr. Berry, of Cleveland. This electrical manufacturing business was established in 1906. The 1942 volume was about 31/2 times the best peace year. Wartime inventory, alone, exceeds the total capital value of the business. Abrupt contract termination, without arrangements for immediate liquidation of this inventory, would leave the company worse than bankrupt. About 400 jobs are immediately involved.

Now Berry has had some experience in contract termination. The Maritime



"That's Joe"

Commission cancelled a \$22,000 contract on October 5, 1942, just three days before the goods were to be delivered. On November 4, Berry presented his termination claim—\$6,900—covering actual cash outlay and commitments, minus usable inventory and scrap values. On January 2, 1943, the claim was referred from the Jacksonville office

of the Maritime Commission to the District Engineer at Philadelphia. Berry went to Philadelphia for a conference on January 14-15. He was told the claim appeared reasonable but that it "must be approved all up and down the line." Returning to Philadelphia, February 1, Berry found the regional engineer too busy to see him. Four months were gone.

On February 8, he received a letter at Cleveland offering a settlement of \$2,500. He asked for an itemization indicating how this figure had been arrived at, but received no reply.

On May 14, the Jacksonville Operations Office was transferred from the supervision of the Philadelphia District to the New Orleans District. On June 2, Berry received a letter from the district engineer at New Orleans:

"We know of no policy established by the Commission to arrive at termination settlements."

#### 53 weeks of red tape

ON August 2, Jacksonville again popped in, this time with a settlement offer of \$1,615. Berry then suggested that the claim be submitted to arbitration, but received no acknowledgment. On September 4, New Orleans advised him

that the dossier had been sent to the Review Section at Washington. On September 24, the Review Section advised him that no papers in the case had been received. On a visit to Washington October 12, he was advised that the papers finally had arrived, but that the Commission had decided to set up a new Committee on Review. There the matter stood 53 weeks and three days after the actual contract termination-all set to be reviewed by a Review Committee not yet created!

Happily, this \$6,900 claim does not embarrass a \$700,000 corporation with \$3,000,000 of war business on its books. But the chronology of this case (it's all in the Senate Military hearings for October 14, 1943) projects clearly what might be the plight of all American industry, should V-day arrive before establishment of clearly defined and soundly administered policies and procedures for contract termination.

Certainly it will not be the intention of government to handle the anticipated 90,000 prime-contract terminations on the Jacksonville-to-Philadelphia-to-New Orleans-to-Washington plan encountered by Berry. Yet, that is what almost certainly

will happen unless a termination program is set up to operate effectively for every type of case. Nobody in the military procurement agencies wants or intends to grind industry to pieces; but the fellow who unfortunately gets caught in the meshes of bureaucratic indecision never is saved by good intentions. Everybody who deals with gov-

mone ance
But i traine or office
Now, tion I to hel

ploye

A we exam

NATI



### to Check Loss of Personnel . . .

### "Honesty Engineering!"

When trusted employees help themselves to your money or merchandise, fidelity insurance will repay your financial loss. But it cannot make good your loss of trained, hard-to-replace manpower, or offset the blow to morale in your office or plant.

lied

by

ut

geat

ron

nd nbe

it-

he

all

gs ts

ht

ld

nd es

T-

lle

he oon

ly o-

or

lior

ic

n-

13

Now, through its Personnel-Protection Plan, the U. S. F. & G. is ready to help you stop employee dishonesty before it starts!

A western packing company, for example, was having so many losses due to employee dishonesty that it faced the loss of fidelity insurance protection. But when it adopted the U. S. F. & G. Personnel-Protection Plan, dishonesty losses dropped more than 80%.

This new plan of "Honesty Engineering" helps reduce employee dishonesty in much the same way that safety engineering and fire prevention work have reduced accidents and cut fire losses for American business.

Based on long experience in the bonding field, the U. S. F. & G. Personnel-Protection Plan not only insures you against loss through em-

ployee dishonesty but: (1) discloses undesirable personnel and prevents waste in training; (2) through tested methods helps keep good employees from going wrong; (3) helps employers eliminate leaks and pitfalls and acts of carelessness which often lead to employee dishonesty.

Your U.S. F. & G. agent will be glad to give you more information about how the Personnel-Protection Plan helps you keep your employees by keeping them honest. Consult him.

Branch Offices in 43 Cities-Agents Everywhere

## U.S.F.&G.

UNITED STATES FIDELITY & GUARANTY CO.

affiliate:

FIDELITY & GUARANTY FIRE CORPORATION

HOME OFFICES: BALTIMORE, MD.

Consult your insurance agent or broker



as you would your doctor or lawyer

### HERE'S A TIP THAT GRIPS THE LEAD!





TURN OR FALL OUT

HOW TO LOAD YOUR AUTO-POINT PENCIL..

AUTOPOINT Pencils load like a gun—as simple as "1-2-3." Because they are breech-loaded the lead feeds through the Grip-Tite Tip to the last 1/4th inch. The Grip-Tite Tip prevents lead from wobbling, turning or falling out.



Be glad if you have an AUTOPOINT mechanical pencil now— they may be hard to find in stores while we're busy with war work and making AUTOPOINT Pencils AUTOPOINT Pencils for the armed forces. So take good care of your AUTOPOINT Pencil. With Victory, there'll be plenty of AUTOPOINT Pencils for organization use and for business gifts.



AUTOPOINT COMPANY, 1801 Fester Ave. . Chicago, III.



#### YOU'LL BE COMING OFTEN TO ATLANTA

AFTER THIS WAR

You'll want to sample its hospitality to individuals

and busy new post-War South. Belle Isle belicopters will shuttle in five minutes from major Atlanta airports to Midtown Airport. Belle Isle passenger planes will be ready for trips off the air-

and conventions. You'll work out from here to the rich

lines, with veteran pilots or self-piloted. We are taking into the air the transportation service Atlanta has depended upon since 1908, to keep pace with the rising new importance of Atlanta, Distribution City of the South.

> BELLE ISLE ENTERPRISES Atlanta, Georgia



ernment knows the problem—"I can't find the fellow who has authority to make a final and binding decision.

"Everybody agrees my case is sound, and that I should have a decision. But A defers to B, and B is waiting on C, and C is palsied by pending legislation in Congress, or a recent decision of the Comptroller General. And here I hang."

#### Must avoid hardship cases

THE fact that nobody in particular is responsible for these hardship cases does not lessen the responsibility of both Congress and the White House to avoid them. Analogous cases have come to light by the score before the Price Adjustment Boards, in WPB material allocations, in OPA price and rationing controls. A new set of them now is on the way in contract terminations, unless government establishes machinery to avert the gathering disaster.

"I am not worried about this particular case," Berry told Senator James E. Murray, of Montana, Chairman of the Subcommittee on Contract Termination. "The amount is small. It entails no financial burden. But I am looking forward to the day when my desk will be piled high with these cases. I would want to know at least where to begin-Jacksonville, Philadelphia, New Orleans, or Washington."

Throughout his testimony, Berry affirmed repeatedly there had been no ill feeling in all these termination negotiations.

"Everything was on friendly terms. Our only difficulty seemed to be that

there was no policy, no procedure, no final authority anywhere to conclude a settlement."

In support of his thesis the witness exhibited about seven pounds of correspondence accumulated over the year on this one cancellation.

To avoid these difficulties multiplied by thousands, the witness suggested that Congress should enact a termination program based on immediate cash settle-ments covering 75 per cent of the plant's war inventory as determined by some quick process of certification locally, either through the military inspection officer, the regional contracting officer, or selected accountants acting temporarily as government agents.

Under such a plan, each settlement might be accomplished in ten days: would maintain employment, finance reconversion, freeze industrial stockpiles against distress liquidation, and provide turn-around

room for the channeling of many war inventories to peace production within the same plant. With all, the 25 per cent margin would insure the Government against fraud, misrepresentation, and collusion pending the review, audit and certification of the final settlement by the General Accounting Office.

The urgency of some such interim settlement was demonstrated forcefully in the first report of the Senate Small Business Committee last July. At that time the War Department alone had cancelled 3.764 contracts.

"More than 2,300 of these are still unsettled. More than 400 cases have remained unsettled for more than six months. In only 44 cases has the War Department made advance payments and to prime contractors only.

This data reveals that only one contractor in every 90 got an immediate cash advance on termination.
"This means," the Committee's report

continued, "that hundreds of prime contractors and many thousands of subcontractors have spent large amounts of money on government contracts for which they have not been reimbursed."

The War Production Board has been working for several months on a uniform contract clause covering termination. It would require existing procurement agencies to negotiate settlements directly with contractors. But the General Accounting Office has objected to this program, principally on the ground that termination settlements should be subject first to audit and review in line with routine fiscal procedures long established in the federal Government.

Should the General Accounting Office



TO

Aci

reg Tyl

Ma

citi ma

NAT

"Yes, I manage to get along nicely on our shoe coupons"



Oficial U. S. Navy Photograph of fighter planes on a carrier deck

yllit

e-

ts

nbof

or en

aets

nto

nd be

ne

Enlist your dollars . . . Buy War Bonds . . . To shorten the duration

The fast-flying fuel that powers the planes of many of America's intrepid airmen gets its paper work "start" on time-saving Underwood Typewriters and Office Machines.

Throughout the Esso organization they have played a prominent part in the quick handling of office detail required by the company's war effort.

From the "paper work" in the famous Esso Research Laboratories where this Victory fuel was developed to the final orders to Esso tanker captains for delivery "somewhere in the war zones," the unfailing efficiency of Underwood's durable equipment speeds the vital war work of the Standard Oil Co. of New Jersey and its associate companies.

Reports Esso Marketers: "In the last few years many of our Underwoods have had to do double and even triple duty. Our UEF machines have stood up remarkably well, regardless of their age!"

#### TO OUR MILLIONS OF VALUED CUSTOMERS: Accounting and Adding Machines are available under WPB

Accounting and Adding Machines are available under WPB regulations.

Underwood Sundstrand Adding-Figuring Machine

Typewriters are available for rental to anyone.

Maintenance Service, from coast to coast in 366 cities is in complete and efficient operation for all makes of typewriters, UEF accounting and adding machines.

Underwood Typewriters

Ribbons, Carbon Rolls and Carbon Paper—Complete lines are available for all makes of machines.

Copyright 1948. Underwood Elliott Flaher Company



#### **Underwood Elliott Fisher Company**

ONE PARK AVENUE, NEW YORK 16, N. Y.

In war production on U. S. Carbines, Caliber .30 M-1—Airplane Instruments—Gun Parts—Ammunition Components—Fuses—
Primers—and Miscellaneous Items.



### Makes Light Work Out of Tough Sweeping Jobs

Steel back of Speed Sweep brushes is the basis of unique construction for faster, easier, better sweeping. Block is ½ usual size – easier to handle. Tufts of longer, better fibres are more compact – provide "spring and snap" action. Handle instantly adjustable to height of sweeper – reduces fatigue and strain. Speed Sweep brushes are built to outlast ordinary brushes 3 to 1.

#### FULLY GUARANTEED

Since Pearl Harbor Speed Sweep brushes have proved their superiority in many thousands of factories under varied conditions. They are unconditionally guaranteed to meet your requirements. Prompt shipment on AA-5 or higher priority rating. Write for styles, sizes, and prices today.



#### Faster Parts Production



With this new Automatic Machine invented by our engineers, ONE MAN can do the work of—





for more information on this example of new parts production methods

JUST SEND NAME AND TITLE TO

U. S. Automatic Corp.

Screw Machine Products

DEPT. N \* AMHERST \* OHIO

prevail, all settlements, no matter how quickly negotiated, necessarily would pile up in Washington awaiting audit. On this point, Comptroller General Lindsay C. Warren would require the contracting officer to submit to the General Accounting Office with the settlement certification, "the record or evidence on which such settlement is based." Checks then would be held up pending individual review of each contract.

How long might it take the General Accounting Office to approve settlements on, say, 100,000 prime contracts and 1,000,000 subcontracts? Rather than plunge contractors into such a tangle of audit and review, government procurement officers probably would be disposed in many instances to allow the contracts to run to termination, thereby accumulating vast stores of unneeded equipment and delaying industrial reconversion to urgent peace needs.

Viewed from the standpoint of the

Viewed from the standpoint of the larger national interests, the choice is a difficult one—on the one hand, industry continuing at top-speed in unwanted military production; on the other, stagnation, insolvency and bankruptcy during a six-months' audit and review interval at the General Accounting Office!

#### Companies will need cash

LET us apply this choice to a single industry-aircraft production. This industry produced, in 1939, approximately \$200,000,000 worth of goods, gross sales. The 1943 production will be \$20,000,000,-000 or about five times the all-time peak of U.S. automobile production before the war. Because of this terrific expansion, the principal airframe companies now report \$1.09 in current assets for each \$1 of current liabilities. (All other major war industries report about \$2.20 to \$1.) This margin of nine cents over liabilities represents the whole "conversion cushion" under several million jobs in the airframe in-Testifying before the Senate Small Business Committee, Webb Wilson, representing the Aeronautical Chamber of Commerce of America, presented this picture:

"At the end of 1942, the average aircraft company had insufficient cash and accounts receivable to pay the amounts owed to its employees, suppliers and the Government. Worse, it did not even have enough quick cash assets to pay taxes and renegotiation refunds owed to the Government. It was \$20,000,000 short. This dangerous situation exists because these companies have been forced to put practically everything into inventories and have used their reserves for taxes due, for working capital. Therefore, at termination it must convert the greater portion of its investment in materials and parts into cash within a few weeks if it is to have funds to pay the balance of its current obligations and have a fighting chance to survive.

"This study also brings out that the typical (airframe) company has been called upon to expand to the point where, if it expects to survive, it must receive at termination pretty close to 100 cents on each dollar invested in material and

Putting
FABRIC PRODUCTS
to work for industry

parts f

shrinka

its ent

financi

Genera

minatio

docume

the col

direction

existin

Congre

gency

physica

govern

audited

of the

touchir

Manpo

UNDE

settlem

six pro

ury Di

countin

a situa

would

awaitir

worked

issued

chief o

calling

of all

and pro

postwa

must r

hard w

of us,"

announ

postwa

turned

had be

and leg

already

tary ]

August

priatio

000,000

actuall

000.000

tracts.

\$190,00

priatio

fund fr

\$20,000

mately

tlemen

tion for

in ever

ment c

these t

in a so

minatio

grips ir

lem of

Upor

vency

industr

proach

surviva

NATI

Can

So th

A va

Earl

"Wh

On (

M

Ther

Shall

Now, you can get competent help in the designing and creation of fabric parts or products.

You can get experienced assistance in the selection or engineering of natural or synthetic fabric to meet your needs.

You can get economical manufacture of fabric parts or products on *modern* equipment by experienced workmen.

... let Turk engineers help you put fabrics to work in the development of new products or in improving your product, its operation or salability . . . write for complete information.

#### THE C. K. TURK COMPANY

Product Development Division:

333 North Michigan Avenue, Chicago, Illinois Factory and Home Office: South Bend, Indiana

PRODUCTS MADE OF FABRICS

## Ideal Hobby

\*\* Here's the ideal hobby for business and professional men. Relax in your spare time. Lose yourself in a fascinating home-craft hobby. Build yourself a scale model railroad which looks like the real thing and performs so that you can be proud of it. Make electric block signals, automatic train control, yards in which trains can be made up and taken apart without touching the couplings.

This isn't playing with toys. It's an educational construction hobby in which 50,000 men were finding pleasure and satisfaction before the war. After victory, new and improved parts and materials will be available, but meanwhile, you can read up on model railroading and learn just how to go about this fascinating hobby. Send 25c now for current copy of THE MODEL RAIL-ROADER Magazine and the booklet for beginners, "Your Model Railroad."

## THE 25¢ Model Railroader 1044 N. Seventh St. Milwaukee 3, Wis.

. . . . . . . . . . . . . . . . . . .

JOA Creative Engineering

For Special Machinery and Production Problems

\* Building special machinery for difticult production problems is a Joo specialty. Send or bring your production, machinery designing or post-war plans—for a profitable solution.

CURT G. JOA, Inc.

Creators and Designers of Special

NATION'S BUSINESS for December, 1943

parts for war production. A 12 per cent shrinkage on inventories would wipe out its entire working capital."

Shall this industry wait in a sort of mancial concentration camp while the General Accounting Office audits its termination settlements "on the basis of documents and evidence submitted by the contracting agencies"? That's the direction in which we are moving under existing administrative procedures, if Congress does not provide some emergency termination machinery.

There are, of course, some obvious physical limitations on the number of government contracts which can be audited in a given week or month. One of the most difficult practical problems touching termination is our old friend,

nce

of

eet

Cts

ced

ou

10

ete

#### Mr. Baruch takes charge

UNDER prevailing arrangements, with settlement authority divided between six procurement agencies, WPB, Treasury Disbursing Office, and General Accounting Office, we may be drifting into a situation in which vast industries would be stopped in their tracks while awaiting their turn before the overworked accountants and auditors!

On October 15, President Roosevelt issued a directive to James F. Byrnes, chief of the Office of War Mobilization, calling for integration and coordination of all contract termination proposals and procedures.

"While we must prepare for necessary postwar adjustments, this preparation must not interfere with the long and hard war programs which are still ahead of us," the President admonished.

Early in November Director Byrnes announced that the whole program of postwar contract adjustments had been turned over to Bernard M. Baruch, who had been delegated to act as top coordinator between all administrative and legislative agencies.

A vast pool of unspent appropriations already is on hand in the various military procurement agencies. As of August 1, 1943, our total war appropriations from June, 1940, were \$340,-000,000,000. But only \$120,000,000,000 actually had been spent, and only \$150,-000,000,000 actually committed in contracts. Thus, there is something like \$190,000,000,000 in uncommitted appropriations available, surely an adequate fund from which to draw promptly the \$20,000,000,000 for \$30,000,000,000 ultimately to be paid out in termination set-tlements.

So the funds are there, and the obligation for prompt settlement is recognized in every official quarter. Surely government can find a method quickly to bring these two basic considerations to flower in a sound and practical routine of termination settlements.

Can our federal bureaucracy come to grips in a business-like way with a problem of this urgency and magnitude?

Upon the answer may depend the solvency of vast segments of American industry, as well as the successful approach to our first problem in postwar survival and stability—jobs.



## Land-Hungry Uncle Sam

By REED ADDISON

SIXTY different agencies and departments now acquire, control and dispose of real estate for the Government

"UNCLE SAM now owns, or will soon own, one-fifth of the entire land area of the continenta! United States."

So says the Joint Committee on Reduction of Nonessential Federal Expenditures of which Sen. Harry F. Byrd, Virginia Democrat, is chairman.

According to the Committee, the Government held, or was acquiring, 384,519,556 acres, as of January 31, 1943. In area, that equals all of Maine, New Hampshire, Vermont, Rhode Island, Massachusetts, Connecticut, Pennsylvania, New York, New Jersey, Delaware, Maryland, West Virginia, Virginia, North and South Carolina, Georgia, Florida, Ohio, Alabama, Kentucky and Indiana.

In value, the Committee estimates, these holdings—land and improvements but not counting equipment, supplies, furnishings or contents of buildings—are worth \$5,101,000,000.

Total value of all privately owned land and buildings in the United States today—estimated by the National Association of Real Estate Boards after a study of state tax commission reports—is \$165,000,000,000.

The Byrd Committee figure for government land value is not absolute. Some estimates are lower. Others reach \$8,000,000,000.

"Yes, there are records," says one responsible official, "but the Government has been acquiring property so fast lately, that it's almost impossible to keep up with it. No one knows certainly what the total is."

Whatever the total may be, it is large and the problems, new and old, growing out of it are already affecting the national economy.

The Byrd Committee's interest in federal real estate grew out of its investigations of government purchases of 12 hotels for the Army and two for the Navy.

The Committee offered the opinion



If all the land which the Government owns or is acquiring were in one piece, it would be as big as 21 of our Eastern states

that "purchases of hotels should not be countenanced until all other methods of acquisition of property are exhausted" since "such purchases may frequently be financially unsound as well as dangerous to the economic stability of the communities involved."

#### Each in its own sphere

PASSING from there to the general federal real estate situation, the Committee found, among other things:

Sixty different government departments, agencies and establishments now acquire, control and dispose of property.

"Each of these," says Comptroller General Lindsay C. Warren, "functions in its own sphere. None is equipped to assemble and correlate information on new land and property requirements, surplus property disposition, future utilization and the custody of the greatly expanded federal holdings."

An effort to "assemble and correlate" began in 1937 when the President appointed a special real estate committee. In 1939 the committee, by Executive Order, became the Federal Real Estate Board with instructions to "study and make appropriate

recommendations regarding the situation in different communities adversely affected by the loss of tax revenue on land purchased or acquired by the Federal Government."

At the same time, the President requested the Secretary of the Treasury to cause to be maintained by the Procurement Division of the Treasury a permanent current record of all federal real estate. The assignment finally went to the Public Buildings Administration of the Federal Works Agency, and the various government agencies were asked to provide the necessary information for the keeping of proper records.

Neither the Real Estate Board nor the PBA has had much luck in obtaining current figures. Early this year, the Board was able to offer figures for the year ending in April, 1939. At that time, it said, the Government's real estate, which had cost \$6,447,407,000, had a fair market value of \$4,554,543,000.

"The only way we can compile a report," said R. G. Church, Board chairman, "is to send out questionnaires to each agency asking for current information on its purchases and sales, and then putting the information together. We send out questionnaires—

but no
"The
in som
the face
rent in
ized off
lack he
From
after st

of real the Bos ernmen

1. Contact state on or real of the exemption of the exemp

local

tion co.
1940, le convict:
"We real est Public l'but it is some li pers beconnel to From

Byrd C

ernmen

templat

1938, a
43,181,1
Total la
States in
No or
had no
win the
the acq
real est:

for Unc

intensifi
One o
still uns
complex
(when
establish
for solvi
to comp
ments for
erty hele
Tom (

nomah Nationa Officers assessm lost tax federal ( the stat 26 of th \$1,000,0 some ex

NATIC

but not all the agencies reply.

"They lack the necessary help and, in some cases, they themselves lack the facts because they can't get current information from their decentralized offices in the field. The field offices lack help, too."

From the information it had, and after studying carefully all the classes of real estate held by the Government, the Board recommended that the Government should:

- 1. Continue to make contributions to state and local governments based on ownership of certain classes of real estate.
- 2. Retain its long-established legal exemptions from the jurisdiction of local tax authorities.

The Federal Buildings Administration compiled figures up to June 30, 1940, but submitted them without conviction.

"We keep a general record of all real estate holdings," W. E. Reynolds, Public Buildings Commissioner, said, "but it is not down to date. It will take some little time to assemble the papers because we have not had the personnel to do it."

From its own investigations, the Byrd Committee estimates that Government real estate purchases or contemplated purchases between July 1, 1938, and March 30, 1943, totaled 43,181,183 acres—67,470 square miles. Total land area of continental United States is 2,977,128 square miles.

No one would say the Government had no right to acquire property to win the war. But the fact remains that the acquisition of all its additional real estate has created new problems for Uncle Sam and has enlarged and intensified old ones.

he

all

nt

p-

n-

00,

ir-

in-

es,

to-

One old problem still on the books, still unsolved and bigger and more complex today than it was in 1939 (when the Real Estate Board was established to make recommendations for solving it) is the question of how to compensate state and local governments for loss of tax revenue on property held by Uncle Sam.

Tom C. Watson, assessor for Multnomah County, Oregon, told the National Association of Assessing Officers recently that, based on local assessments and millage rates, those lost taxes total \$91,051,374. If the federal Government should reimburse the states for this missing revenue, 26 of them would receive more than \$1,000,000 and all would benefit to some extent.

The states receiving more than \$1,000,000 are:

New York would receive \$8,856,000
 California would receive \$6,476,000
 Arizona would receive \$5,034,000

- 4. Montana would receive \$4,793,000
- 5. Iowa would receive \$4,178,000
- 6. Massachusetts would receive \$4,110,-000
- 7. Nevada would receive \$3,638,000
- 8. Pennsylvania would receive \$3,339,-000
- 9. Illinois would receive \$3,095,000
- 10. Washington would receive \$3,088,000
- 11. New Jersey would receive \$2,902,000
- 12. Oregon would receive \$2,333,000
- 13. Idaho would receive \$1,979,000 14. Colorado would receive \$1,886,000
- 15. Virginia would receive \$1,582,000
- 16. Texas would receive \$1,581,000
- 17. Maryland would receive \$1,535,000
- 18. Wyoming would receive \$1,486,000
- 19. Ohio would receive \$1,344,000 20. Louisiana would receive \$1,320,000 21. South Dakota would receive \$1,299,
- 22. Alabama would receive \$1,297,000
- 23. Utah would receive \$1,209,000
- 24. Michigan would receive \$1,195,000
- 25. Florida would receive \$1,009,000
- 26. Minnesota would receive \$1,006,000

A new problem of no small proportions is how to dispose of surplus lands and buildings when peace comes, or when the Federal Government finds it has no further need of them.

Comptroller General Lindsay Warren, who is in a position to know how entangled Uncle Sam has become in his real estate, recommends that the functional activities of acquiring and disposing of federal real estate be transferred to a single facility.

"In this way," he says, "the various departments and agencies would be served in real estate matters in a manner comparable to the existing arrangements whereunder the Procurement Division of the Treasury Department is responsible for providing materials and supplies needed by the different agencies of the Government and for the disposal of surplus-material items."

The Byrd Committee agrees with the Comptroller General. The Committee has some other ideas, too. "In the interest of both efficiency and economy," these recommendations have been suggested:

- That the Government agencies begin immediately to liquidate surplus holdings in land and real estate which are not needed for federal activities.
- 2. That a central unit be empowered to establish and declare standards and procedures for appraising, acquiring, abstracting, recording and disposing of all land and parcels owned and controlled by the Federal Government, and that consideration be given to the feasibility of assigning these operations to a central unit within the existing government machinery, in order to reduce inequity and lack of uniformity in government acquisitions.



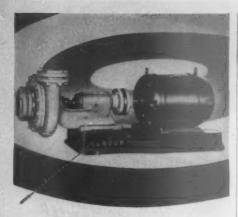
Fifty-eight years of specialized "know-how" are at your service in solving your liquid handling problems. Equipment for measuring, metering, filtering, distilling, lubricating, storing and dispensing. To handle liquids right—write Bowser.

Liquid Control Specialists - Since 1885

S. F. BOWSER & COMPANY, Inc. Fort Wayne, Indiana

BREAKERS OF LIQUID- BUNNER 1885





#### TARGET for Chemical Pump Users

If you want to do the best possible job of handling the liquid materials used in your business, set your sights on these two points when you are pump hunting.

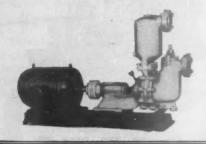
(1) Efficiency for low operating cost

(2) Minimum maintenance

It's no coincidence that LaBour centrifugal pumps give exactly that kind of chemical pump performance. LaBour developed the first industrially successful self-priming centrifugal pump. The same engineering skill makes all LaBour pumps more efficient to begin with and keeps them efficient longer.

It usually costs less to move a gallon of liquid with LaBour centrifugals—and you save time too. Get the complete story—write for Bulletin No. 50 today.

THE LABOUR COMPANY, INC. 1605 Sterling Ave., Elkhart, Ind., U. S. A.



#### LABOUR PUMPS

EFFECTIVE ADVERTISING NEED

NOT COST BIG MONEY. An advertisement this size in Nation's Business will carry your company's message to 404,407 of the country's most influential business men, yet costs only \$184.60. So sold is Nation's Business on space this size that its own advertisements in magazines and newspapers utilize it. If you're interested, write Nation's Business

ness, 420 Lexington, New York City 17.

### Streamlined Service Club



The Pittsburgh USO-Variety Club Canteen has everything from name dance orchestras to previews of the new movies

ECAUSE labor, capital and management combined their skills, Pittsburgh now boasts one of the finest USO centers in the country.

A soldier, sailor, WAC or WAVE with a few hours between trains in Pittsburgh can get a snack, a book and a comfortable chair to read it in, a shower, a comfortable bed, a dance, a variety show, a hand of bridge and some pleasant conversation—all within a few feet of the Pennsylvania Railroad Station.

The club, known as the USO-Variety Club Canteen, is directly across the Plaza from the station. The Pittsburgh Variety Club, a time-honored theatrical institution, has arranged that new dramas, new Night Club Shows, even new movies, coming into Pittsburgh are "previewed" at the Canteen. Name dance orchestras play on regular schedules.

The project came into being when the Pittsburgh Chamber of Commerce, USO and Variety Club decided to pool their interests to create better service for those in uniform. As plans were being made, it was decided to invite other organizations to participate. The reaction was terrific with these results:

Pennsylvania Railroad donated the land, light and heat.

The city gave free water and facilitated building permits, etc.

A.F. of L. Union Locals dug down into their treasuries for \$26,000 to provide Union labor to build the struc-

ture. C.I.O. Union Locals provided all furniture.

The furniture was selected and the interiors planned by members of the Philadelphia Chapter of the American Society of Interior Decorators.

The Pittsburgh women's clubs took full responsibility for food.

The grounds were landscaped and flowers and plants for interior decoration provided by the Pittsburgh Garden Club. The library is the responsibility of the Business and Professional Women's Clubs.

There are special quarters for women in uniform with showers, makeup tables and cots. There is a big dormitory for men. One of the main features is that the train announcers' voices from across the Plaza are "piped in" so that trains will not be missed. Huge check rooms have been provided and—what is important on military budgets—there is no charge for anything.

When the building was finished and furnished, it was decided to let the people view it for a few days. Frank L. Duggan, local Chamber president, and his committee beamed at the complimentary remarks. A man thrust a dollar bill into Mr. Duggan's hand and said, "Swell place. I would like to help." Mr. Duggan tossed the dollar bill into a huge brass ash tray, but it had hardly touched when others flutered in on top. The 50,000 who viewed the building left \$5,000. When a newspaper reported this, the amount grew to \$32,000 mostly by mail.

Produce measure a mech

The maircraft ooo,000 worth equipm tive in years. higher cate be ernmer efficien tary re

Pulver ern pin Hercule a serior dry has ments

> Westing Compare 1941.

A Pura in texti lowhur used for quito no ings go; will hav

An ele hoist a water a building been co Defense Mill ope

ics to of of a sp Hub Inc

Boys' comes to they had enteen-y departmentity's firstrength

Output 000,000 000,000

NATIC

## We Tour the

## HOME FRONT

Production of electrical indicating and measuring instruments essential to fight a mechanized war soared 3,900 per cent since 1940—from 700,000 to 28,000,000.

The motor industry is now producing aircraft equipment at the rate of \$11,000,000 a day—more than \$4,000,000,000 worth of airplanes, engines and aero equipment has rolled from the automotive industry plants in the past three years. And the physical output is even higher than dollar volume figures indicate because of the savings to the Government resulting from manufacturing efficiencies, price reductions and voluntary refunds.

Pulverized resin extracted from southern pine wood, a process developed by Hercules Powder Company, is smashing a serious bottleneck in sand. One foundry has cut monthly new sand requirements from 2,500 to 600 tons by its use.

Production of electronic tubes at the Westinghouse Electric Manufacturing Company is now 11 times as great as in 1941.

A Puratized process to prevent mildew in textiles, has been developed by Gallowhur & Company. Entire output is now used for millions of yards of duck, mosquito netting, ground cloth and shoe linings going to the armed forces. Civilians will have it after the war.

An electric motor powerful enough to hoist a destroyer completely out of the water and up to the height of a 15-story building all in a minute's time has just been completed by General Electric for Defense Plant Corporation's Utah Steel Mill operated by Geneva Steel Co.

Postwar application of aircraft hydraulics to other industries will be the study of a special Development Division of Hub Industries, Inc., Stamford, Conn.

nk

nd

Boys' ambition to be firemen now comes true in Kansas City, Mo., where they have employed more than 70 seventeen-year-old boys in the regular fire department as a means of keeping the city's fire-fighting force near adequate strength.

Output of dried eggs in 1941 was 7,-000,000 pounds. It has expanded to 235,-000,000 pounds in 1943. One pound of

dried whole eggs is the equivalent of three dozen liquid eggs.

A road cleaning magnet developed by Cutler-Hammer, Inc., Milwaukee, covers a road span eight to nine feet and picks up metal making roads safer for tires. The metal collected is adding considerably to scrap heaps:

A "blaze blitzing" jeep equipped with a 500-gallon-per-minute pump operating from a 63-horsepower engine carrying 375 feet of rubber hose, built for quick dispatch to factory areas which cannot be reached by larger apparatus, is being used successfully to fight plant fires by Willys-Overland Motors.

Joe Wessiack went to work for Continental Screw Company, New Bedford, Mass., in 1907. He hasn't once been late or absent from work in the 36 years' service.

Manufacturing of aviation products has increased 4,900 per cent since 1938 at Bendix Aviation Corporation plants.

Glass container production this year probably will exceed \$93,000,000 gross, or 17.5 per cent more than last year's output. After the war, according to the Department of Commerce, annual production will be \$99,300,000 gross, representing a 39 per cent increase over 1940.

Tonnage shipped to General Eisenhower in the first eight months of the African campaign, was about the same as was transported to Gen. Pershing during the first World War, the Army Service Forces revealed.

Aluminum supplies for the fourth quarter will total 871,000,000 pounds, or nearly 100,000,000 pounds above the war program's needs, the WPB reported.

The 72,000 women working in General Electric Plants represent 38 per cent of all employees, and they number more than the total working force did in 1939.

Enough tin plate was produced by U. S. Steel mills in 1941 to form a continuous 30-inch strip well over 1,000,000 miles long, sufficient to provide a giant tin girdle reaching 40 times around the world, according to K. W. Brighton, American Can Company research technologist.



This Plymouth Locomotive, in service of a major oil company, is typical of many leading makes of machinery on which dependable Le Roi valve-in-head engines are standard equipment. On construction machinery (including Le Roi's own portable air compressors) — oil-well drilling and pumping rigs — many other types of industrial and agricultural machinery, look for these economical, troublefree heavy-duty power units. 2 to 12 cylinders, 4 to 400 H. P. — for gasoline, natural gas, or butane.

Write for further information. E. 92

Le Roi Company
1702 South 68th Street
Milwaukee 14, Wisconsin LE ROI



When the SHOOTING STOPS!

... Ideas to Blueprint, to Metal; experimental or mass production, under one roof and responsibility.

Industrial Executives looking ahead will find several refreshing points of view in

ing points of view in our new 8-page booklet, "When the Shooting Stops!" This booklet gives expression to Spriesch ideas and spirit which industrial executives have said are thought-provoking, informative and useful in planning ahead.

Since 1928 we have produced continuously intricate aircraft bomb-releasing mechanisms for the Army and later for the Navy. While all our facilities are used for war work... we can THINK on problems of special machines, tools, dies; experimental or mass production of parts or complete assemblies.

Industrial Executives are invited to write (on business stationery, please) for our 8-page booklet, "When the Shooting Stops!"

We offer INGENUITY after VICTORY

Spriesch

ACTURING CO., INC.

27 HOWARD STREET . . . BUFFALO 6, N.



FOUNTAIN BRUSH

102

#### If It Can't Be Done, They Do It

(Continued from page 36) explosives or space for them with wires running to some peasant's house on a hillside.

Dean of the corps is Percy A. Baker, 64, who recently built an enormous wind tunnel for the Army Air Forces in California. Among his accomplishments are completion of two utility plants which he built from the ground up and the construction of the Warsaw radio station. Poland decorated him for the latter but he gets more kick out of the fact that, on one of the other jobs, he once signed checks for \$2,000,000 in a single day.

#### In South Pacific

YOUNGEST man is probably G. L. Lentz, only four years out of Lafayette College, who, with C. O. Nelson, was one of the first technical men in the South Pacific. Both won Army commendations for "the superior manner" in which they organized and instructed personnel in the maintenance, repair and overhaul of "difficult turbo-superchargers under conditions encountered in the field."

Decorations and commendations aren't unusual. Cosser has one praising his technical efficiency "despite lack of much needed equipment and difficult maintenance conditions" with a bom-bardment group where "most missions are long, high altitude flights depending entirely on efficient supercharger operation for success.'

Cosser should know flying. In the course of service in Afghanistan, Iran, Iraq, Syria, Cyprus, Malta, Tunisia, Algeria and Morocco, he has flown more than 100,000 miles. Part of the time he was an inexpensive passenger having lost 60 pounds because of an attack of dysentery. He worked through that but a bout with malaria put him in a Cairo

William V. Murphy has perhaps the most amazing official decoration. The Russians gave him the "Order of the Red Banner" because "we like him."

Murphy, one of the few older engineers to raise a family, has settled down in Atlanta to take care of war plants in the South but he has had his share of excitement.

He was building a power station in Mexico once when a revolution started and the rebels demanded the small round plant building for use as a fort. Murphy went to the door and told them to go fight somewhere else.

Unbelievably, they did.

The Russian decoration came after the completion of the Dnieprostroy power plant. The leaders of all the American crews were so honored—but Murphy wasn't then a crew leader. The ribbon on his chest had a practical value, how-

"In Moscow it permitted me to ride on the front platform of street cars along with expectant mothers."

Thomson got a peculiar accolade in

Russia, too. A Russian woman of old regime sympathies offered him several thousand rubles to marry her and take her out of the country. The fact that he already had a wife made it easy to refuse that offer but he couldn't refuse when Gerard Swope, General Electric president, made him guest at a New York dinner for company executives and introduced him as "the man who does the work for which you fellows take

Swope's comment was inspired by an inspection trip to Boulder Dam where he found Thomson installing 82,000 kilowatt generators.

ins

P

SOUTHERN

SM

Get

USE A

BEFO

AFT

SMO

NATI

"Young man, whom do you call when

there is trouble?" Swope asked him.
"We don't call anybody," Thomson
told him. "We just fix it."

That phrase might be adopted as the motto of the corps. No matter what the difficulty may be, they fix it. When F. Howard Potter faced a labor shortage in Ecuador, he stood on a street corner and snatched the valuable Panama hats off the heads of passersby. If they agreed to work for him, they got the hats back.

The late A. C. Jewett faced different problems while building a power plant in Afghanistan. His tools were stolen every time he turned his back; harness for work elephants had to be made by hand; the contractor, who was sup-posed to bring steel beams over the mountains, stopped deliveries when he



He lived in a 135-room palace and rode to his work on an elephant

harvested his crops. Jewett finally built the plant but it took eight years.

The engineers' life is not all that kind of drudgery. Timothy E. Lynch, now engaged in the comparatively humdrum job of building electric power plants on barges which can be towed along coasts or up rivers to replace damaged conventional facilities, can look back on his tow of duty in Nepal, where he lived in a 135room palace and rode to his work each day on an elephant accompanied by obsequious outriders. When he left, the Maharaja gave him a fine collection of Nepalese coins.

Thomas Edison Wood recently collected an equally satisfying but less intrinsic reward. Since beginning his career in 1903, he has installed machinery for the Panama Canal and the world's biggest coal pier in Baltimore,



ie ie ic

0-

en

on

he

he

F

ge

ats

the

ent

ant

len

ess

by

the

and

built

kind

v enrum

s on pasts

ven-

tour

135-

each

d by the on of

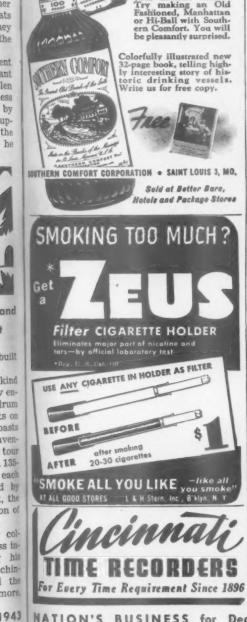
s in-

chin-

nore.

the

his



built a steel mill in Siberia, sugar mills in Cuba, and a power plant in Chile. At present he is putting electric equipment into new submarines but a while ago he installed the generators and motors on a battleship.

When the job was finally done, the Navy threw a family party in celebration. The shindig was going nicely when the skipper entered.

"Where's Woody?" he asked.

Being a civilian, "Woody" wasn't

"Well I won't sit down until he gets here," the skipper snorted.

He didn't, either.

Like the Army, the Navy recognizes the work these men have done in keeping temperamental machinery going in queer places. When the battleships 'California" and "West Virginia" went down at Pearl Harbor, they were the men who were summoned.

Wilson, then supervising installation of generators at Cherokee Dam for TVA, flew to Hawaii with a crew of 57 technicians to repair the propulsion equipment.

#### Thick oil and muck

HE found the motors covered by thick oil and muck. Some were corroded by salt water. As the apparatus was deep in each ship, everything taken in or out had to be carried by men walking singlefile on narrow companionways through four decks. Tons of material were moved in this way.

The men worked in three shifts, 24 hours a day, seven days a week, in holds, breathing air pumped from above deck. As a precaution against gas, the Navy provided chemically treated white ribbons which turned purple when gas threatened.

As no propulsion motors of this size had ever been repaired under such conditions, working techniques of all kinds had to be improvised.

Finally, in less time than had been required to build the motors originally under ideal conditions, the repair job was done. The battleships were able to steam out of Pearl Harbor under their own power.

As he started for his next job, Shasta Dam in California, Wilson received a letter from Rear Admiral William R. Furlong, commandant of the Pearl Harbor Navy Yard. It said:

"In recognition of the valuable services performed by you and the other 57 men of the General Electric Company on two important naval vessels in Pearl Harbor, the Commandant of the Navy Yard presents to you, and through you, presents to each of the other men of this group a Navy 'E' pin. This action is taken because the work performed by you on two salvaged ships contributed to the winning of the 'E' pennant by this yard and contributes to the return of these ships to the fleet.

"Please accept my thanks and congratulations for your excellent and important work."

Any civilian praise we might add will sound pretty silly after that.



"A STEBCO brief case is like a good brief; it shows that you know your business." A smart STEBCO case adds the distinctive note that marks the successful man. A STEBCO carrying case commands the respect your

carrying case commands the respect your business merits.

Exclusive in design, convenience-tested for quick access and perfect protection, your STEBCO case will play a handsome part in your business for many years.

STEBCO brief cases and portfolios have faithfully served Executives, Salesmen, Students—men and women the world over—for more than over - for more than twenty-five years.



16-10F Frame brief bagforheavy duty. Will accommodate bulky articles, wide frame opening allows easy access to contents.

STEIN BROS. MFG. CO. 231 SOUTH GREEN STREET . CHICAGO

for Your Copies of

NATION'S BUSINESS

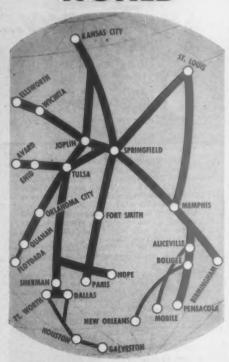
FOR ONLY

A click and the copy is in. Each binder holds 12 issues.

NATION'S BUSINESS Washington, D. C.



# THE FRISCO WORLD



### Vital 9-State Area in the Heart of the Nation

—a veritable world in itself, rich in agricultural and mineral resources...teeming with industrial activity, where Frisco provides 5,000 miles of rail transportation:

MISSOURI ARKANSAS
OKLAHOMA TEXAS
KANSAS TENNESSEE
MISSISSIPPI ALABAMA
FLORIDA

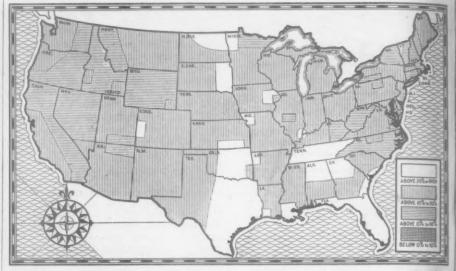


#### A GREAT RAILROAD

CONNECTING TRANSCONTINENTAL
ROUTES • BORDER-TO-BORDER
AND COAST-TO-COAST

# The Map of the Nation's Business

By FRANK GREENE



WITH output of war materials aparently approaching a ceiling, overall industrial production during October continued at former record levels. Although merchandise scarcities persisted, evidences of expanding production of some civilian goods were noted. The steel industry reached a new all-time peak in tonnage output, although operations tapered somewhat in the latter half of the month, due to recurring strikes in coal mines, where output fell considerably below September and the like 1942 month.

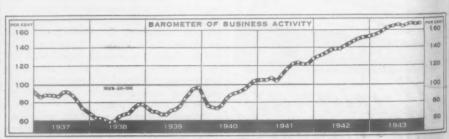
Airplane manufacturers turned out a record number of 8,362 planes, while ship construction increased to 163 cargo vessels, three more than in September. Electricity production ran 18 per cent above last October to set a new record for all time. Railroad freight and passenger movement continued exceptionally heavy. Production of lumber, leather, and cotton

The Map reflects favorable conditions in most sections but increases over last year tend to become less pronounced



textiles still held below last year.

Stock market dealings were dullest of the year, while commodities were unsettled by talk of a possible early peace in Europe. Wholesale and retail volume showed some improvement.



Aggregate industrial output in October remained high but gains were narrowed due to manpower difficulties affecting most vital war industries









THE JR. EXECUTIVE

THE SENTIMEL

## Seating Service





photo Products Made in U. S. SAVE TIME AND MONEY

CORP 30 West 25th St. New York City

#### When You Change Your Address

... please notify us promptly. Your copies of Nation's Business will then reach you without delay and without interruption.

—Nation's Business, 1615 H Street, N. W., Washington, D. C.

#### Where Do We Go From There?

(Continued from page 28)

peace arrives. when Another large group will be employed in shipyards. These workers have been recruited from all parts of the United States. Unquestionably many of them will be loath to return home when peace comes.

The Los Angeles Chamber of Commerce is already considering the problem to be faced when several hundred thousands of these newcomers are turned loose after "P Day." How many can be absorbed into civilian occupations and how many must be urged to go back whence they came is a question not easily answered, yet every industrial center will face it. By building a national policy upon the composite of ideas developed by widely separated munities, we may meet it successfully.

What part, then, does the average business man propose to play in this

organizing for peace?

Will he, through his local chamber of commerce or trade association, start the ball rolling in a way which must eventually command the utmost respect and consideration from every vote-minded government official?

Will he insist that the government agencies now flooding the country with war orders state definitely which orders are to be considered as terminated on the day peace is declared and which are to be completed regardless of lack of peace-time demand? Will he insist that this information be sifted down through the prime to the subcontractors, so there may be less guess work and more intelligence in making factory decisions on the morning peace is announced?

Will the business man insist that new emphasis be placed on vocational guid-

ance for peace-time activities, particularly among children now in junior high schools? Will he do his part in cooperating with the schools, so that we may not awake on the morning of "P Day" to the startling fact that we have many times more embryo mechanics of highly specialized skill than civilian industry possibly can absorb—that many of our boys and girls are still in training for occupations no longer in demand?

Will he know whom, among his own employees, he will try to mould into his peace-time organization and whom he must dismiss? Will he and his fellow employers have any kind of a central clearing house through which desirable men can be guided quickly into peace.

time channels?

What help will one business man be able to render to another in solving the problems of a sudden transition back to civilian activity-a transition that in bound to be much more drastic and upsetting than our relatively slow transition from peace to war economy? What will the community as a unit know about men and material needed for its own

commercial existence?

It is a tremendous job, calling for the same type of acumen which has put Business far ahead of Government in executing the war effort. Government has not covered itself with glory in organizing for war. There is no reason to expect it to do so in organizing for peace. Business has shown it can do the war job. If it demonstrates that it is preparing to do a peace-time job equally well, probably the public will have regained some much-needed confidence in it and will insist that Government listen to Business.



FOR VICTORY TODAY
AND SOUND BUSINESS TOMORROW



### Get This Flag Flying Now!

This War Savings Flag which flies today over companies, large and small, all across the land means business. It means, first, that 10% of the company's gross pay roll is being invested in War Bonds by the workers voluntarily.

It also means that the employees of all these companies are doing their part for Victory ... by helping to buy the guns, tanks, and planes that America and her allies must have to win.

It means that billions of dollars are being diverted from "bidding" for the constantly shrinking stock of goods available, thus putting a brake on inflation. And it means that billions of dollars will be held in readiness for post-war readjustment. Think what 10% of the national income, saved in War Bonds now, month after month, can buy when the war ends!

For Victory today . . . and prosperity tomorrow, keep the War Bond Pay-roll Savings Plan rolling in your firm. Get that flag flying now! Your State War Savings Staff Administrator will gladly explain how you may do so.

If your firm has not already installed the Payroll Savings Plan, now is the time to do so. For full details, plus samples of result-getting literature and promotional helps, write or wire: War Savings Staff, Section F, Treasury Department, 709 Twelfth Street NW., Washington, D. C.



Save With

War Savings Bonds

This Space Is a Contribution to America's All-Out War Program by

NATION'S BUSINESS

943

rticuhigh
peraty not
to the
times
y spey posr boys

occus own ato his om he fellow central

nan be ng the back to hat is nd uptransi-

about

for the as put nent is rnment is rnment is rnment or ason to ing for a do the at it is equally have re-

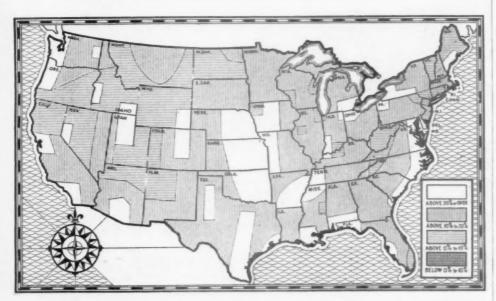
lence h

at lister

e asill go

# The Map of the Nation's Business

By FRANK GREENE



INDUSTRIAL PRODUCTION expanded further from the high level of October with more than 50 per cent of the nation's capacity devoted to war needs. Necessary repairs reduced steel ingot output two per cent and railroad freight traffic declined seasonally from the autumn peak. Shipyards in November launched a record 84 ships while automobile manufacturers were already producing armament at a rate far exceeding their peace-time production. Textile plants continued busy at previous capacity operation and electricity output again broke all records.

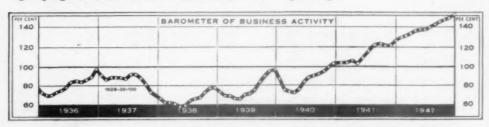
Engineering contract awards were ten per cent higher than the previous month. Stock market trading matched October's volume as prices declined. Government regulation held commodity prices unchanged except for a further rise in farm products, notwithstanding record harvests. Labor shortages plagued both farm and industrial

Further improvement in the Map results from continued rising prosperity in agricultural and industrial regions



employers but higher incomes and early holiday buying caused an upsurge in retail sales.

Business failures continued far below a year ago.



With steel output still holding at a close to record rate and war production continuing to expand, the Barometer chart line for November again moved upward to stand at a new peak level.

## Index of A D V E R T I S E R S

January • 1943

	Page
Aetna Fire Group	55
Aluminum Company of America	3
American Air Filter Company	
American Cyanamid Company	
American Telephone & Telegraph	
Company 2nd	Cover
Association of American Railroads	
Association of American Kantoads	. 14
Buick Motor Division	75
Burroughs Adding Machine Company	65
C	
Cast Iron Pipe Research Association.	
Celotex Corporation	70
Cities Service Oil Companies	8
Coca-Cola Company	77
Commercial Credit Company	
Commercial Civili Company	
Do/More Chair Company	
Duophoto Corporation	88
Eastman Kodak Company	47
the same of the sa	41
m. i	10
Fairbanks, Morse & Company	
Fruehauf Trailer Company	18
General Electric Company	16
General Motors	
Goodrich Company, The B. P	1
Goodyear Tire & Rubber Company	14
Great Northern Railway Company	59
W -1 20 - 1 C - 1 - C	
Hardware Mutual Casualty Company	
Home Insurance Company	63
Hooper & Sons Company, W. E	61
International Harvester Company	67
International Salt Company	41
Jennison-Wright Corporation	13
Kimberly-Clark Corporation	59
I D C	-
La Bour Company	
Libbey-Owens-Ford Glass Company	
Liggett & Myers Tobacco Company 4th	Cover
Linde Air Products Company	23
Man Company Crees 0	
May Company, George S.	- 1
Metropolitan Life Insurance Company	31
Metropolitan Oakland	12
Missouri Pacific Lines	14
Morse Chain Company	79
	-
Nash-Kelvinator Corporation 3rd	
Northern Pacific Railway	64
Oxford Filing Supply Company	. 76
and any and any and any	
Dankaga Manklussa Ca	20
Package Machinery Company	
Pan-American Airways, Inc.	39
Pullman Standard Company	63
Remington-Rend Inc.	70
Remington-Rand, Inc.	10
	- 5
Scott & Sons Company, O. M	79
Southern Railway System	35
Union Carbide & Carbon Corporation.	33
United States Treasury Department	81
Washington Terminal Company	48, 49

NATION'S
BUSIESS

75



See

MANAGEMENT'S

Washington

LETTER

THE UNIVERSITY OF CHICAGO

#### TO MERCHANTS

## who want to make more money

• There's a tried and proven way to build up volume, win new customers, boost your business and make more money. It's the remodeling of your store with a new Pittco Store Front.

Write us today for our free book of facts—and plan to remodel your store with a Pittco Front when building restrictions are lifted. Pittsburgh Plate Glass Company, 2210-3 Grant Bldg., Pittsburgh, Pa.

#### PITTSBURGH PLATE GLASS COMPANY



•Reg. U. S. Pat. Off,

folders hang in file!

Eliminates most mishling

Reduces !	filing til	me 20°	% - tra	nsforms	filing	from
laborious	search	hing to	instant	visible	refer	ancal

PENDAFLEX\*

the filing method with

the HANGING folders

OXFORD FILING	SUPPLY CO., Brooklyn, N. Y.
Send me new, illust	trated, fact-full booklet: "How to Cut cent." No obligation, of course.
NAME	
FIRM	
ADDRESS	
CITY	STATE

losses are not so evident to the general observer, but they are very real to the losers.

If the gains exceed the losses, that net profit may be regarded as a necessary lure to induce men to undertake the risks that must be undertaken if we are to be fed. clothed, and housed.

If no one risked his seed and labor in the planting of crops, we should all starve. If no one would take the risk of fire, storm, or earthquake, no houses would be built. Yet men will not assume these necessary risks unless there is at least a chance of gain. If there is a gain—a profit—it is earned as truly as any income is earned.

The view here expressed is in contrast with the ancient fallacy that, if one person gains anything from a transaction, some one else must necessarily lose. It is in harmony with the modern idea that both parties may gain from a transaction. The whole system of buying and selling, of exchanging goods and services, is based on the modern idea. It is the assumption on which the whole market economy is organized. The coercive economy, which is carried on under the system of authority and obedience, is based on another assumption.

The fact that a government owned industry does not make a profit does not mean that it can produce and sell more cheaply than free enterprise. When all costs are considered, government enterprise is generally more expensive than free enterprise. A privately owned industry has to pay taxes to federal, state and local governments. A government owned industry escapes that form of cost so long as there are enough privately owned enterprises to support the Government by paying taxes.

But, as government expands its field of enterprise, there will be fewer and fewer private enterprisers to tax. Under complete government ownership of all industries there would be none. Then government enterprises would have to pay their own bills out of their receipts, including the overhead cost of government itself.

Those who advocate the extension of government enterprise into the field where free enterprise can function sometimes assert that labor, under government enterprise, would be more efficient. This assertion is based on the assumption that, under government enterprise, each worker will feel that he is working for himself. For some reason, those who use this argument do not point with pride to the energy and efficiency of workers on city streets, around city halls, in public parks, on W.P.A. jobs and various other examples of government employment.

As a matter of fact, workers have no more interest in saving money for the Government than for a private employer. Besides, those politicians who run the Government are sometimes more eager to win the support of those on the government pay rolls than to save the Government money. Moreover, the workers know that incomes depend on what some one else decides that they should have, rather than on how well they run a business.

There is, however, one class of workers who really do work for themselves

and know it. These are the self-employed business men, the enterprisers. They know that they will lose from every mistake they make, and gain from every wise decision; that, if they lose, the lose is their own and cannot be shifted onto the taxpayers. If we start from the true assumption that the private enterpriser feels that he is working for himself and reason correctly from this, we must conclude that he will work more efficiently and manage more carefully than one who works and manages for someone else.

Supplementing the enterpriser's motive for efficiency, and intensifying it is the rigid process of selection carried on by sheriffs and receivers in bankruptcy.

This selective process not only gives the enterprisers a powerful motive for efficiency, but improves the breed of enterprisers by weeding out the less efficient and leaving private enterprises in the hands of the more efficient.

#### All want to gain

"PRODUCTION for use rather than for profit" is another misleading formula sometimes recited by those who favor government rather than free enterprise. Another form of the same idea is: "Government enterprises are carried on for service, private enterprises for profit." Both forms are misleading because they seem to imply either that profits are made without serving anybody or that those who start government enterprises are actuated by less selfish motives than those who start private enterprises.

If we compare government enterprises with private enterprises on the basis of the usefulness of their products, we shall find that private enterprises do not suffer from this comparison. The products of free enterprise are for use as truly as are those of government enterprise.

If we compare the two kinds of enterprise on the basis of the motives of those who run them, the difference is not to the discredit of the private enterpriser. Those who run government enterprises are motivated by the hope of personal gain as truly as are those who run private enterprises. The difference is in the forms of pecuniary gain which they seek. The promoters of government enterprise work for a contractual income called a salary. The promoters of free enterprise work for a contingent income called profits.

The salaries of the promoters and managers of government enterprises, when everything is included, generally cost the people more than the profits of free enterprise because those who operate government enterprises, with a few magnificent exceptions, are less interested in keeping costs down than are those who run private enterprises. The private enterpriser generally makes his profit by improving his methods and reducing costs.

Again, profits are peculiarly evanescent. As soon as one enterpriser—individual, firm or corporation—makes an innovation which improves a product or lowers the cost, his competitors promptly copy it unless it is temporarily protected by a patent, When that happens, his profits are gone. His only chance for

ents ing l he e men is be to er pate Th mone prise profi there neces ceed is no class Th as to aggr of ge pheno here.

NA

cont

ahea

opinion minus whole other which net praire le ernme be.

facts.

cializ

over if
the al
ment.
tive ac
tage i
ductiv
advan
the G
rupt. I
it may
pay th
it can'
Whe
pany i

A SUI

itors, coits creshare coto the In the in the In the land arment, amanageresource

The

tinue 1

every ;

busine

The is that ernmer where is field is be carriand se without untary

continuous profits, is to keep one jump | ahead of his competitors or to get patents to keep his competitors from copying his improvements. If he keeps ahead, he earns his profits by making improvements. If he is protected by patents, it is because the Government thinks it wise to encourage improvements by granting patent rights.

Those who invest their time and money in hazardous productive enter-prise are lured by the hope of large profits. If there were no large profits there would be no lure. But it is not necessary that the total profits shall exceed the total losses. In other words, it is not necessary that enterprisers as a class shall make a net profit.

The lure of large prizes is so strong as to lead men to spend more in the aggregate than there is any possibility of getting back. This is a psychological phenomenon which need not concern us here, but there is no doubt as to the facts. It is the basis of every commercialized gambling institution from lotteries to horse racing.

In gold mining, for example, it is the opinion of experts that profits are a minus quantity to the business as a whole. The same is probably true of other hazardous enterprises. All of which leads to the conclusion that the net profits going to private enterprisers are less than the total salaries of government promoters and managers would

#### Premium on efficiency

A SUPPOSED advantage of government over free enterprise in the same field is the almost unlimited credit of government. This, however, is only a competitive advantage and in no sense an advantage in the economic utilization of productive resources. It has a competitive advantage because, strictly speaking, the Government cannot become bankrupt. It may lose money on its business, it may fail to pay its debts, or refuse to pay them, or to meet any contract, but it can't go into bankruptcy.

nt

al

d-

ey

ne

nd

lly

of

er-

ew

er-

his

re-

ıdian

pt-

When an individual or private company goes into bankruptcy, it turns its business and its assets over to its creditors, or to a receiver who handles it for its creditors, so that each may get his share of what is left. That can't happen to the Government.

In the interest of economic production in the long run, an inefficiently run business ought to become bankrupt, or at any rate, be liquidated. To have labor, land and capital under inferior management, when it might be under superior management, is a waste of productive

The fact that a government can continue to operate a business at a loss every year, is, from the standpoint of national economy, a disadvantage.

The sum and substance of the matter is that there is no good reason why gov-ernment should crowd into the field where free enterprise can function. That field is wherever a useful enterprise can be carried on successfully, its products and services provided and marketed without coercion, or on the basis of voluntary agreement among all concerned.

#### The NATURAL INDUSTRIAL CENTER of the WEST

### "No Aladdin's Lamp here, Mr. President!

"Metropolitan Oakland Area didn't blossom by magic into one of the

leaders in the Nation's war activities.

"For years we've been grow-ing into a big industrial cen-ter for the manufacture and distribution of diversified products to the Eleven Western States and the Nation. More than 150 of the nationally-known manufacturers are

located here. "And long before the

war Uncle Sam selected Metropolitan Oakland Area for several huge Army and Navy permanent estab-lishments, after the most exhaustive study of all possible sites.

"CENTRAL LOCATION in relation to rich markets . . . most economical costs of distribution . . . mainland terminus of three transcontinental railroads...harbor and terminal facilities unexcelled on the Pacific

"Raw materials in great variety . . . hydro-electric power greatly ex-panded for war activities available for postwar use...

"These are only a few of the impor-tant advantages, Mr. President. Every company has its special re-quirements. Tell us about yours, and we will prepare a Special Survey for you with all the data bearing on your particular needs."

METROPOLITAN OAKLAND AREA 389 Chamber of Commerce Bldg. Oakland, California

METROPOLITAN

ALBANT - BERKELEY - EMERYVILLE - HAYRARD - LIVER!



#### **Directory of War Agencies**

-revised 88-page handbook. Lists war agencies, sub-agencies, industry and other advisory committees, field offices, and officials in charge of war activities. Single copies-15 cents, postpaid.

#### **War Service Division**

Chamber of Commerce of the U.S.A., 1615 H. St., N.W., Washington, D. C.





## Added Protection for Our Ships

When power is not available—because of acts of sabotage or lucky shell hits—that's when ships need LaBour Type SFI fire pumps for protection.

#### **Independent Fire Protection**

The SFI is completely independent of generators or cables, steam pipes or boiler pressure. The pump is self-priming and is powered by its own air-cooled engine. Easily carried by two men, the SFI is always ready for instant action in any part of the ship. It's the perfect emergency equipment to supplement permanent fire fighting systems.

#### **Immediately Available**

This completely independent LaBour unit is ready now—we are making the SFI today—to do its part in protecting American shipping. The price is low and delivery is speedy. Write today for all the details.

#### THE LABOUR COMPANY, INC.

1605 Sterling Avenue Elkhart, Indiana, U. S. A.

## LABOUR PUMPS



Working 11.5. But LATER FOR You!

WE'VE BUILT 10,000 homes in 25 years; now we are serving industry in its war needs; after VICTORY we'll be on the alert to serve again civilian needs.

BUY A HOME IN THE PEACE TO FOLLOW -- WITH THE BONDS YOU BUY TODAY

HOUSTON Roady Cat HOUSE CO.

#### Talent Scouts for War Ideas

(Continued from page 24)

could not be found to accelerate both the teaching and practice of welding? Finally he marched into Praeger's office with a crude model representing his ideas. Result? In a few weeks, an ingenious gadget will be available with which, I was assured, anyone can learn welding four times faster than did the skilled veterans. Not only that, but the special tip applies the welding rod, holds it in position and breaks it away automatically.

Some of the inventions seem slightly on the absurd side ... but don't laugh. The craziest contraption may help win the war or fill some important civilian need.

There's the Blind Pig, for example. This little porker rattles across the driveway, climbs a low wooden railing, and pokes its snout into the nearby concrete wall. It looks innocent but, guided by radio, this three-wheeled destroyer can crawl underneath a tank or snuggle against a pill box. Inside are 25 pounds of TNT.

Or consider the blackout lantern. Suppose you have strung lanterns along a five-mile stretch of open ditches. Hundreds of 'em. It is midnight. You receive a yellow alert. Must you, to beat the blackout, kick all those lanterns into the ditch? Not if your lanterns have special metal cores laced with horizontal slits, each slit carrying a narrow hood, which slips down inside the glass at the touch of a finger. The red warning of danger may be seen horizontally, but not from above, after the cores are dropped.

You can never be sure, when you drop in on Larry at his Hollywood office, or on Praeger in his Pasadena headquarters, whether you're in for a quiet conversation or an unscientific discussion of some eager inventor's new brain-storm.

What, pray tell, might this odd arrangement of mirrors be? The beginning of a new gunsight. You won't know its descendent when production finally begins, so Praeger feels free to display the gadget.

What's that pile of black rubber on the corner table? Nothing less than a solid automobile tire which actually uses less rubber than the pneumatic variety. You can wear it down to a nubbin before retreading, too.

filled

per nen reir

and d

irds 5

and C

bout

comp

In another corner a draftsman busily sketches an invention. The board on which he works stands almost perpendicular, yet the weights stick like glue. It's a magnetic plotting board, intended to keep weights and papers and charts from being tossed overboard when a bomber hits bumps or a destroyer rolls in heavy seas.

Although few inventions have seen the light of production, the list of things that one day may reach public view is long.

Where the foundation may lead its backers, none can say.

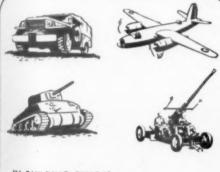
An unnamed gentleman dumped a problem in Praeger's lap one morning 18 months ago. Larry violated his announced rules by letting him have \$500. More money followed, until \$14,000 had been paid out. Then Larry found himself with a foundry on his hands, from which he's producing aluminum castings for Southern California aircraft plants. He's reduced prices, yet nets \$10,000 a month. Extraordinary profit, but Larry doesn't touch a cent of it. He lives on a salary from Bing, and banks any surplus left after expanding the plant and buying equipment for Henry Morgenthau.

Bing refuses to cash in on the publicity the foundation could bring.



"See, Sergeant, you were wrong about me!"





IN BUILDING TRUCKS.
PLANES, TANKS, GUNS, GYRO-COMPASSES
AND MANY OTHER WAR PRODUCTS . . .

BUILD WELL

#### LEADS WAY IN RECENT INVASION BY U. S. TROOPS

Dodge was first to land with American soldiers in Africa! Radioed photos of this historic landing followed fast on news that "unending streams" of other dependable Dodge trucks were carrying up supplies to the Russian front.

On every fighting front . . . trucks, planes, tanks and guns, built well by Dodge men, are faithfully serving the United Nations' armed forces!

On home fronts, too, Dodge Job-Rated trucks are transporting essential commodities of industry and agriculture with the same time-proved dependability.

Dodge trucks last longer, are more dependable and more economical because they're Job-Rated, which means that every Dodge truck has exactly the right engine, clutch, transmission, and every other unit to fit the job!

If wartime regulations permit buying, see your Dodge dealer for trucks to fit your job. See him, too, for All-Fluid Drive Dodge cars, Plymouth cars, used vehicles, and dependable service.

DODGE DIVISION, CHRYSLER CORPORATION, DETROIT, MICHIGAN



DODGE
Sob-Rated TRUCKS



## Behind the Fighting Front

The tremendous expansion and intensive training of our armed forces demanded the biggest transportation job in history. That meant mass railroad transportation.

Called on overnight after Pearl Harbor, the American rail-roads carried in organized movements during the first ten months of this war, more than 8,200,000 troops! Nearly four times more than in the same period of World War I—not counting the unknown numbers on furlough who traveled on regular trains.

Moreover, soldiers in this war are moved from five to six times during the training period, as compared with three times in the last war. On top of that, the railroads are carrying millions of persons who formerly traveled by highway.

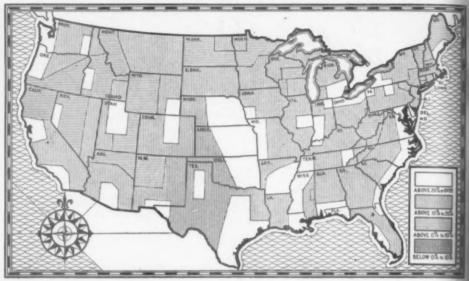
It all adds up to a tremendous increase — and when additional equipment is not available. But the railroads are getting every spark of service out of every unit of equipment they own. So, please remember: When you can't get what you want on a train today, it is because our fighting men have the right-of-way.

The Norfolk and Western Railway and the Norfolk and Western Family are in this war with everything they have. And they are proud that they can carry their full quota of America's fighting men, who will win complete and uncompromising Victory.



# The Map of the Nation's Business

By FRANK GREENE



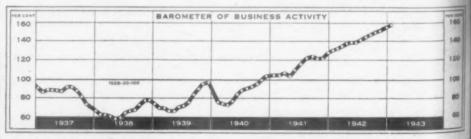
DECEMBER closed a year of steadily rising production, with expanding output of war materials offsetting forced curtailment of civilian industry. Steel production was the fourth highest on record with shipbuilding, its heaviest user, still expanding. Railroad passenger traffic was 80 per cent over 1941, while heavier carloading and longer hauls made possible 33 per cent larger freight traffic. While coal mining in December was the largest in many years, electricity output recorded three successive weekly peaks. Engineering awards dropped to half the November rate.

Stock market prices and transactions were highest of the year and the largest war loan in history was heavily oversubscribed. Nation-wide gasoline rationing started as the eastern oil situation became acute. Continued rising farm commodity prices accompanied serious shortages of many foods.

Increased spending power of agriculture and war-stimulated industrial employment causes more improvement in the Map



Inventory controls were ordered for retail merchants as the heaviest holiday business in history (4 per cent above last December) left sharply reduced stocks of consumer goods.



With retail business at a peak in December and overall output of war moterials moving at a rapid pace, the Barometer of Business Activity finished the year at a new all-time high

# NATION'S BUSINESS

See

MANAGEMENT'S

Washington

LETTER

LIBRARIES
PERIODICAL DEPT H M22





# Tires Made with B. F. Goodrich Synthetic Now Rolling on Nation's Buses

# A typical example of B. F. Goodrich leadership in tires

You've read plenty about synthetic rubber, about the tires that are going to be made with synthetics. But did you know that right now many a bus in Chicago, Boston, Cleveland and New York is trying out tires using synthetic rubber made by B. F. Goodrich?

One of these tires is shown in the picture—an Ameripol Silvertown being inspected after more than 8,000 miles on the wheel.

Varying amounts of synthetic rubber have been used in making these new Ameripol bus tires—but some of them now actually in service contain over 99% synthetic rubber.

B. F. Goodrich was first to offer for sale tires made with synthetic rubber for

passenger cars—that was in 1940! And now B. F. Goodrich pioneers with Ameripol Silvertowns for buses. Production is not unlimited. The rubber

shortage is still acute. But already synthetic tires made by B. F. Goodrich are helping in the war effort.

The Army and Navy get first call on every ounce of synthetic rubber we make. Right now there is little, if any, for general civilian use. There will be some for essential transportation.

And when synthetic rubber is plentiful, come to B.F.Goodrich for your tires. You can be sure that B. F. Goodrich will be first just as B. F. Goodrich was first to offer American car owners tires made with synthetic rubber. Remember, nobody makes as good a cake as the cook who discovers the recipe!



Nation's Business is published on the 30th of every month by the Chamber of Commerce of the United States. Publication Office, Washington, D. C. Editorial, Advertising and Circulation Offices, 1815 H Street, N. W., Washington, D. C. Subscription price \$4.00 one year; \$9.50 three years; 35 cents a copy. Entered as second-class matter March 20, 1920 at the Post Office at Washington, D. C., additional entry at Greenwich, Conn., under the Act of March 3, 1879, Printed in U. S. A.

### The NATURAL INDUSTRIAL CENTER of the WEST cut its teeth on war. It opened officially

"Costs LESS to manufacture

in the WEST?

"Yes, Mr. President! In the West we have our own sources of raw materials, we make our own goods, for our own markets. Distribution costs less, saves days of time over shipping from the East.

"In many lines we're already independent of the East. When peace comes we'll be even more so. We're developing ten years in one during this war period.

"Already more than 150 nationally-known manufacturers realize the economies of decentralizing production by putting a plant in the Metropolitan Oakland Area. It's the logical way to cut manufacturing and distribution costs."

1.750,000 PROGRESSIVE AMERICANS live within 50 miles of Metropolitan Oakland Area...most favorable location for reaching the Coast's 9,750,000 and the Eleven West-

States' 14,000,000 . . . three transcontinental railroads, two transcontinental airlines...har-bor facilities unexcelled on the Coast...huge potential of postwar power and skilled labor...

These merely suggest some of Metropolitan Oakland Area's advantages. Prepare NOW for postwar expansion. Ask us to prepare a Special Survey showing how these advantages apply directly to your western operation.

METROPOLITAN OAKLAND A
389 Chamber of Commerce Building
Oakland, California

DPOLITAN



IORE - GAKLAND - PIEDMONT - PLEASANTON - SAN LEAN

FROZEN ASSET IS A LIABILI UNUSED MACH WAR EFFORT

If changes in your production program have resulted in idleness or partial retirement for certain of your machinery-SELL these machine tools to other plants engaged in war work, where they can "do a job" in the front lines of production for Victory.

Aside from patriotic motives, sound business judgment dictates that this equipment be turned into cash in the present favorable. market. The 1942 Tax Act is favorable to this program:

Capital gains are subject to very limited tax; capital losses (for the first time) may be fully charged against operating profits.

At your disposal now are our 25 years experience in marketing surplus machinery, industrial plants and complete operating units. We invite a confidential discussion of your position.



21 EAST 40TH ST.

NEW YORK, N. Y.

on the day Lincoln took office—March 4, 1861, and turned out \$700,000 worth of printing in first year of the Civil War. But this is small potatoes compared to the \$46,690,343.90 worth of printing turned out in the fiscal year ended June 30, 1942. It's doing much better this year.

Listed under "Miscellaneous Agencies" in a Washington directory, the Government Printing Office has no salesmen, no press agents (by any fancy title), never spends a dime advertising itself, operates under the same "paper rationing" restrictions as private printers, and is supervised by a board of directors composed of three members each from the Senate and the House of Representatives, who make up the Joint Committee on Printing.

Mr. Giegengack is the thirteenth Public Printer. The first was an enterprising fellow named John D. DeFrees, who used to sell printing to the Government from his little shop across the park from the Capitol and then was "bought out" by Congress and hired as first Public Printer, with 350 employees. The present buildings of the print offices, huge affairs, are on the site of his original

### Bigger jobs to come

STATISTICS tell the war-job Uncle Sam's print shop is doing: War Ration Book No. 2—150,000,000

copies has 192 stamps in each book. This totals 28,800,000,000 stamps, according to the O. P. A., which promises the next book will be "much larger."

In 1942, the Public Printer had to deliver only 65,000,000 income tax forms. This year, he'll have to have 90,000,000 on the line by March 1.

The print shop last year assimilated more than 3,000 carloads of materials and supplies, including some 60,000 tons of paper.

It ships more than 280 carloads of postcards alone each year.

The taxpayer, for good or evil, gets caught many ways in this mass of printing. He must pay for it in taxes; he must read it; he must fill out the forms; he must pay the thousands of government employees engaged in gathering and tabulating the information on these forms; he must pay to mail them, and he must pay the rent on the floor space wed in filing the forms, since most of them go back to Washington.

A goodly number of each form is printed with the knowledge that they will be wasted, either by inefficiency of distribution or by citizens who fill them out. That's why, when they want a form for every person, Government officials order 150,000,000 instead of 132,000,000.

There is only one place in Washingor the nation—where figures mea so little. That's over at the Bureau of Engraving and Printing of the Treasury Department, which is not connected with the U. S. Government Printing Office. That is the place where all currency, postage stamps and war bonds are printed.

"We never could catch up with those fellows on money," one official laughed

Can anybody?

943
ially arch
orth
War.
ed to
nting
June
this

the salesfancy tising

paper printof dis each Rep-

Joint.

Pub-

o used t from

m the

ut" by

Print-

resent

huge

Uncle
000,000
ok. This
cording
he next

I to deforms,
000,000
milated
aterials
000 tons
tonds of
wil, gets
of printhe must

rms; be

ernment

ing and

n, and he

ace used

of them

form is

hat they

ciency of

fill them

nt a form

officials 2,000,000.

Washing-

res mean

Bureau of

Treasury

eonnected Printing

e all cur-

var bonds

with those

laughed.

n these



# **JOHNS-MANVILLE AT WAR**

A report to the public for the year 1942

THE WORLD now knows the job that was done in 1942 by American industry in producing the weapons with which we are fighting to Victory.

One of the greatest miscalculations of the Axis leaders was their estimate of the productive potential of that dynamic force we call American Business. They did not understand how readily the skills and abilities of workers and management, developed under freedom and democracy, could be converted to making weapons of war.

How American Business operates—how it has grown to be our great bulwark of strength through the fair reward for work and initiative, and the constant investment of new capital in new ideas and new machinery—is best reflected in the annual reports of the thousands of companies which comprise it.

For this reason, Johns-Manville—as a typical American company—is reporting this year not only to its stockholders and employees but also to the public, the highlights of our first full year of wartime operations:

Total Income	\$1081/2 million	100%
Used for all costs of doing business (except those shown below), includ- ing depreciation, depletion and re-		
serves for war contingencies	\$ 491/2 million	46%
To employees for salaries and wages	\$ 37 million	34%
To government for taxes	\$ 161/2 million	15%
To stockholders in dividends	\$ 2 million	2%
Leaving in the business	\$ 3½ million	3%

- \* In 1942 Johns-Manville produced the largest volume in its 85-year history. Measured in sales, production was 75% greater than in 1940, and 16% greater than a year ago.
- \* Wages and salaries were 23% greater than in 1941. Employees numbered 15,200—slightly less than the year before.
- \* Taxes were equivalent to \$19.65 per share of the common stock or over \$1,098 per employee.
- \* Earnings after taxes were 5¢ per dollar of total income, compared to 6¢ last year.
- \* Dividends of \$7.00 per share were paid on the preferred stock, and \$2.25 per share on the common stock.
- \* The first shell and bomb-loading plant to receive the Army-Navy "E" Award was built and is being operated under Johns-Manville management.
- \* Over 2700 J-M men are in the armed forces of the United Nations.
- \* More than a thousand products manufactured by Johns-Manville are now serving our armed forces and our war industries.

Johns-Manville is now at peak operations with all of our energies focused upon record war production until final Victory. When the war is won, we pledge to the public that again we will produce more and better things for the kind of better living for which our country is fighting.

LEVIS SI POWE

These are a few of the products coming off the Johns-Manville production lines: Insulations for ships, steel mills, synthetic rubber plants and other vital war industries; packings, gaskets, brake linings for war machines; building products for war construction; Celite products for camouflage paints; asbestos fiber; bombs and shells.

Those desiring more complete information should refer to a booklet containing the formal Annual Report to Stockholders which we will be glad to furnish on request. Address, Johns-Manville Corporation, 22 East 40th Street, New York City.

# We 7our the HOME FRONT

At Portsmouth, Va., 5,000 homes were built in 134 working days, by the Homasote Co. At Vallejo, 977 homes in 49 days; 500 in 49 days at Ft. Leonard Wood. The same company can build a large single house costing \$40,000 in 30 to 40 days; a small house for \$3,000 in six days; the Portsmouth houses were built at rate of one every ten minutes.

How beets have contributed to relief of sugar shortage is shown by a twomonths delivery record of more sugar than the total amount of imported cane sugar for same period.

The first pre-stressed concrete tanks ever used for fuel storage and new type construction for seaplane ramps helped win "E" award for nine Austin Co. construction jobs in Northwest. Ramps which used beams and slabs of pre-cast concrete eliminated costly cofferdams and tons of steel.

Half of the 3,100 employees of the Security-First National Bank, Los Angeles, are now women.

A 100 per cent effective method for starting airplane engines in sub-zero weather has been perfected by United Aircraft Corp. division at Hartford. Apparatus is wheeled up to plane—no change in engine equipment needed. Hitler would have loved it in Russia. Same company has also perfected counter-rotating propeller or two propellers on one shaft—one turns clockwise, the other counter-clockwise. Removes twisting effect of single propeller.

A new cap, mostly paper, makes possible a complete vacuum packed coffee container that requires no steel, tin or rubber. Devised by Owens-Illinois Glass Co.

A voluntary collection to provide a \$25 War Bond for each of their 215 fellow workers now in the armed forces was recently taken up by employees of the Paraffine Companies, San Francisco.

Two reconditioned blast furnaces, one idle since 1930, the other since 1932, have been put into operation at Granite City, Ill., by Koppers United Co. Total capacity will be more than 1,000 tons a day. Company is also building a new coke plant on the site.

An electronic measuring device that will distinguish between 2,000,000 colors for use in camouflage standardization is a new General Electric product. Another one is a jigger that will tell an aviator how much danger there is from lightning in a nearby thunder-cloud.

One thousand executives and workers of the Edgewater Aluminum plant are donating one pint of blood each to the Red Cross. By careful scheduling, the 150 workers in the first day's parade were away from their tasks only 45 minutes.

When flood waters threatened to inundate the Piper Aircraft Co.'s airport, men and women employees left their stations and flew 100 planes to higher ground. They had learned to fly on spare time.

An additional investment in \$50,000,000 worth of government bonds signalized savings, building and loan associations' celebration of Ben Franklin's birthday. They expect to buy \$300,000,000 worth before the year's end.

A new combatant plane for the Navy is being designed by the Ryan Aeronautical Co. Heretofore the company has been producing just as important, but less glamorous trainers and exhaust manifold systems.

Two months ahead of schedule is the record of the American Propeller Corp., largest manufacturer of hollow steel propeller blades. This type blade has great resistance to corrosion and abrasion and in larger sizes is lighter than aluminum.

A new type, six cylinder Diesel engine for replacement on a cargo ship was assembled and shipped in five days, beating by nine days the delivery promise, by Cooper-Bessemer Corp.

A far-sighted labor policy has minimized labor turnover for the Ilg Electric Ventilating Co., Chicago. Forty-four per cent of employees with company in 1917 are still drawing Ilg Co. paychecks.

A new kind of "E" award was won by Crane Co., Chicago. The plant never converted to guns or ammunition—simply kept on making valves, fitting and piping accessories, but did it so well that armed forces were helped over many a trouble-some bottleneck.

"How to Think Up Ideas" a booklet prepared by Batten, Barton, Durstine and Osborn, is part of that advertising agency's contribution to the war effort. It needles average Americans into making suggestions that will speed up protion.

One 2,000 HP Pratt & Whitney and manufactured by Nash-Kelvinator is a ported to have as much power as about 30 Nash "600" automobile motors.

The old popularity contest was reestalished by Marmon-Herrington to sell in 288 worth of war bonds in a week a candidates for "Queen" were selected as every 25-cent stamp entitled the chaser to 25 votes for his or her favors

A new cotton yarn which does not require long staple (now a critical material) has been developed by U. S. Rute Co. for parachute harness which former required linen. Company has also eveloped a new asbestos fabric fitting take place of critical materials in a craft production. It will withstand heated 350° F or a temperature as low as mine 40° F.

Pullman-Standard manufactured to railroad cars for hauling iron ore in in than six weeks. Made it possible to he 90,000,000 more tons of ore from Missota to steel centers before winter set in

Crystal clear protective hats of Lumarith, designed by Lilly Dache and made by M. B. Price Associates have been eveloped to protect beautiful blonds, as heads or brunettes from getting the tresses caught in defense plant machinery. The publicity says they would fatter even a Veronica Lake.

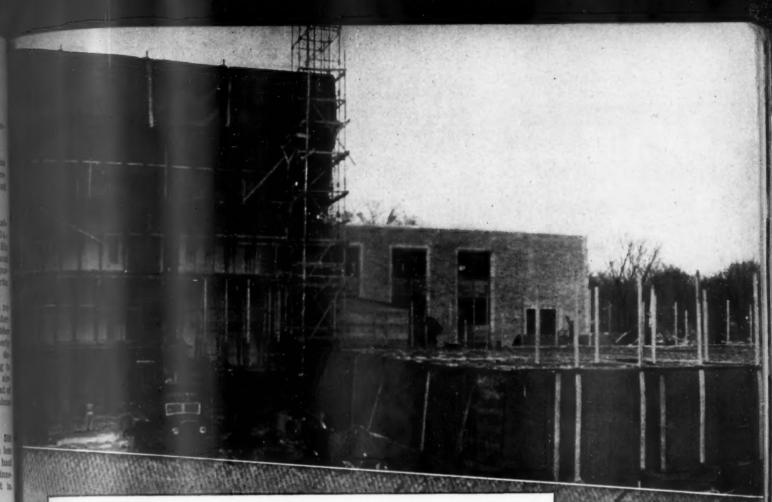
Research disclosed that fractures have fuel line permitting gasoline to wash one hot engines caused airplane fires. Generally they started at the ends where the had been flared to hold on pipe consections. The Osborn Manufacturing O. Cleveland, devised power brushes a smooth out these surfaces to an accuracy of four- to eight-millionths of an index and 100 per cent faster than it can be done by hand—hundreds of fighters at thus be protected from an important source of fire.

Like the old jitney, the jeep continued "wow 'em." Armed forces are using a motor for generating electrical power as searchlights, are welding equipment, on trifugal water pumps for fire fighting short-wave radio transmitters and receivers. The Marines use it to power in boats.

Six miles of wire of various sizes types is used in the Boeing Flying for tress.

A 14-room hospital, one of most modes in New Jersey, is newest addition to the Manhattan Rubber Division of Raybests. It is completely staffed—has a modes operating room and a physiotherapy rose where employees are given post-injuricare.

A new, remote control, fire prevaited device to protect pilots has been develope by Minneapolis-Honeywell. It eliminated for piping gasoline and lubrication oil to indicating meters in the cockyt.



# "Canvas Engineering" Protected this Million Dollar Construction Project

Fire — in flammable canvas windbreaks, tarpaulins and covers over building materials once caused \$500,000 Destruction on this Construction job.

But once was enough. It couldn't happen here, again. Every yard of replacement canvas on the rebuilding job was FIRE CHIEF-Finished Hooperwood Duck.

The application of correctly-engineered canvas to the specific requirements of the job is such a simple matter of plain, ordinary horse sense now that science has provided types of Cotton Duck resistant to almost every penetrating, dangerous or deteriorating influence with which they may come into contact — fire, water, weather, mildew, gasoline, oil, etc.

And after the war, when our entire production is no longer mobilized for Victory — HOOPERWOOD "Canvas Engineering" will have many more benefits in store for you. Awnings that won't ignite from carelessly-tossed cigarettes or rot from mildew — special canvas truck covers that will outlast their predecessors several times over — canvas marine supplies that will help strike out the fear of fire on shipboard — aircraft canvas fabrics that repel gasoline and oil.

These and many other applications of "HOOPERWOOD-engineered" fabrics for business and Industry will be waiting for you when business returns to normal.

WM. E. HOOPER & SONS CO. New York PHILADELPHIA Chicago Mills: WOODBERRY, BALTIMORE, MD.

Since 1800 (through six wars) the HOOPER name has symbolized highest quality in Cotton Duck and other Heavy Cotton Fabrics, Paper Mill Dryer Felts, Filter Cloth, Rope and Sash Cord.

DEER'S DEER'S RATAINGEE

HOOPERWOOD COTTON DUCK

been de

ing their

res in the

rushes b

f an ind

important

ntinues to

power in

power H

sizes and Tlying For

Raybesta

a moder

erapyl

post-

# What is a MICRO-CHEK?

● The Trico Micro-Chek is a new type of comparator gage, used on inspection lines, or at machines, which speeds up the gaging of precision parts. It visually multiplies dimensions by 200. Its big, highly visible indicator greatly reduces eyestrain and fatigue. Its simplicity enables inexperienced workers quickly to become accurate inspectors. Our booklet tells more about its many applications.



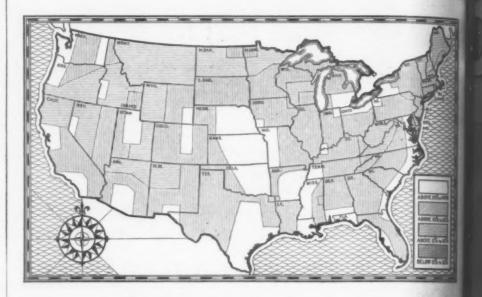


have re-ordered additional

Send for FREE Micro-Chek booklet, Address:
TRICO PRODUCTS CORP.
Dept. U, Buffale, N. Y.

# The Map of the Nation's Business

By FRANK GREENE

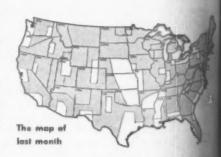


INDUSTRIAL activity held unchanged through January with munitions output 500 per cent above the pre-Pearl Harbor level. Steel production rose slightly from December with heavy demand for plate from shipbuilding and railroad equipment makers while net operating income of rails more than doubled that of last January. Electric output was up contraseasonally 15 per cent above a year ago.

Lumber again declined sharply due to labor shortage and engineering awards touched new lows with the curtailment of heavy ordnance plant construction.

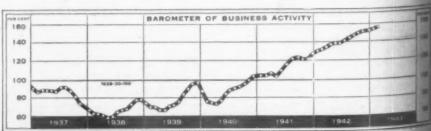
Drastic driving restrictions caused serious losses to amusement and service agencies the country over. Stock markets improved for the ninth month in the sharpest rise and the largest volume for January since 1939. Farm product prices reached a 22-year peak, again lifting commodity averages to

The Map reflects little change in previous condition of peak employment, income, war production, and agriculture.



new highs.

Shortages alone curtailed action in wholesale markets as retail see equalled those of the January be scare-buying period.



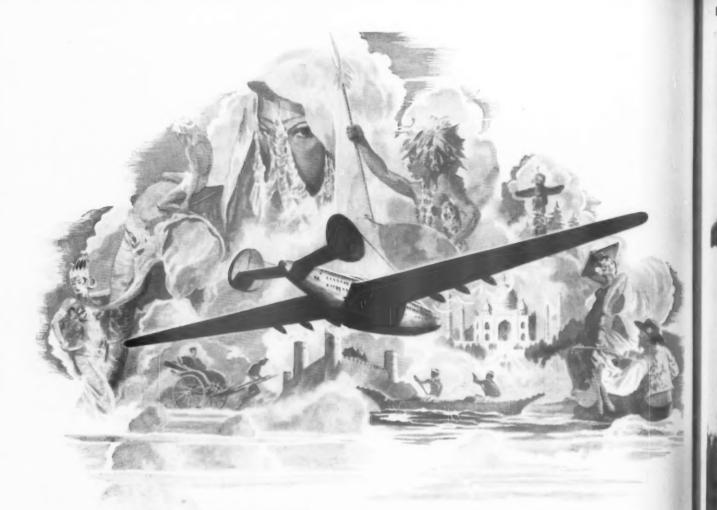
With more than half of the country's productive capacity devoted to the weeffort, the Barometer for January rose to a further new high.

AND NATION'S 1948
BUSINESS



See MANAGEMENT'S 11/ashington

HE UNIVERSITY OF CHICACO



# omorrow

Rio, with guitars throbbing through the blue Brazilian night . . . Bagdad, where high-laden camels sway through narrow, latticed streets . . . Port Said, kaleidoscope of color, Babel of a hundred foreign tongues. Tomorrow, via air, the world is yours!

No flights of fancy are these flights of the future. Even now Martin aircraft are speeding the tools of war to the four corners of the globe. And when, after Victory, these lifelines become airlines, you will see and know the far lands of romance. Via air, two-week vacations will equal two months'

today. Via air, all nations will be neighbors, drawn together by bonds of travel and commerce. Via air, the peoples of the world will come to know each other, thus building for permanent peace.

Your ticket to romance is a U.S. War Bond. Each Bond you buy hastens the day of Victory . . . the day when aviation turns

from the wings of war to the wings of peace. Already on Martin drawing boards lie complete designs for giant airliners of 125 tons, capable of carrying scores of passengers, tons of freight, to the farthest of horizons. Other Martin aircraft of 250 tons and more are being planned. You can help translate these great plans into reality. You can help build the breath-taking new world of the future. Buy War Bonds to the limit of your ability . . . for your country today, for you tomorrow.

\* \*

A

M

Goo

The Glenn L. Martin Co., Baltimore, U.S.A.



Builders of Dependable Aircraft Since 1909





# Tires Made with B. F. Goodrich Synthetic Now Rolling on Army Trucks

A typical example of B. F. Goodrich leadership in truck tires

MANY a U.S. Army truck is rolling today on tires made with B.F. Goodrich synthetic rubber—Ameripol. Here man-made rubber is getting its faul tests—tests no proving ground could ever match.

And big city buses in Chicago, New York, Boston, Cleveland, and other cities are now rolling on tires made with B. F. Goodrich synthetics, too.

This does not mean that synthetic rubber is plentiful. Only a fraction of the nation's requirements is being produced today. But it does mean that B. F. Goodrich, the only company

to offer tires made with synthetic

rubber to the general public before the war, is still pioneering in this great development.

And it means that America will never again be entirely dependent upon foreign sources for its rubber supply. With peace, your truck and your car may have tires made wholly or partially of synthetic rubber. When that time comes remember that B. F. Good-

rich, 'way back in 1940, was first to offer tires of synthetic rubber for sale.



Nation's Business is published on the 30th of every month by the Chamber of Commerce of the United States, Publication Office, Washington, D. C. Editorial, Advertising and Circulation Offices, 1815 H Street, N. W., Washington, D. C. Subscription price 34.00 one year; \$9.50 three years; 35 cents a copy. Entered as second-class matter March 20, 1920 at the Post Office at Washington, D. C., additional entry at Greenwich, Conn., under the Act of March 3, 1879, Printed in U. S. A.

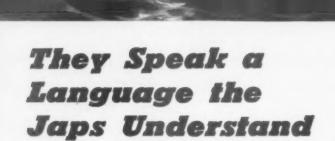
gs of oards ers of res of

ou can realtaking Bonds

of 250

U.S.A.

EAST COAST



FIRE ONE! FIRE TWO!

From the first day of this war, the crews of U. S. submarines have thus "reasoned" with the enemy—and in his own waters.

They know action and engines—for they literally live with and by the Diesels which take them there and bring them back.

Many of these Diesels are Fairbanks-Morse Diesels. We feel that nothing short of our level best is good enough for these men of the silent service.



FAIRBANKS, MORSE & CO.



# "Good thing I was here"

Two-thirds of all Bell telephones are now dial. There would be more if the necessary materials weren't needed for war.

Today's rush of business couldn't be handled without dial telephones. They take care of more than 75,000,000 calls a day.

Even with millions of dial telephones in use, the number of operators increased more than 23,000 last year. The total number is now over 160,000.

0.

BELL TELEPHONE SYSTEM





WHATEVER construction or remodeling you may be planning, you can save time, labor, and critical materials by investigating these five new multiple-function products, developed by Celotex for wartime building.

CEMESTO combines exterior and interior finish, plus insulation, in a complete fire-resistant wall unit . . . CELO-SIDING combines sheathing, insulation, and a mineralized exterior surface . . . CELO-ROOF combines sheathing, insulation, and roofing.

WHITE ROCK WALL UNITS, composed of laminated layers of gypsum wall board, are made in two styles—one weather-surfaced for exterior use, the other clear white for interiors. Both are strong, rigid, fire resistant.

Get full details from your Celotex dealer, or write direct to The Celotex Corporation, Chicago.





nessman in Alexandria—and I know most of 'em—will say the same thing, that our people are ready for any needed sacrifice.

I have charge of our "customer relations" program and I believe that my insistence on keeping our customers informed as to the problems we have faced has been a great factor in getting through those 121 days so well.

At the height of the crisis, I wrote these words in a bulletin sent to each of the customers:

'Our bulletins frequently have told you about Fannon: now we want to tell you about you. You have been really swell during the trying, suffering times of the past. It has been tough on you phoning Alexandria 5700 and unable to get an answer, because all our four phones were ringing when you called. It has been disappointing to have us tell you that all we could do was to list your order, without saying when we could reach you (because we didn't know!). It has been tough on you to go through the agony of running completely out of oil, after you had almost numbed yourself with the thermometer at 55 degrees. To add insult to injury, you went to take a bath and then there was no hot water in the spigot. You came to our office for a bushel of coal to hold you over to find that we were unable to provide a burlap sack. It was disappointing to see our truck draw up to your neighbor's house, and after asking our driver if you could be served, to be told that there was not enough oil on the truck to serve the list the driver had in his hand. It was not funny to have 250 gallons of coupons and

to be told that all we could possibly give you was 100 gallons.

"But what did you do? Here's what you did: You kept a stiff upper lip and took the medicine that a vicious war was pouring down your throat!

"Your attitude was a great encouragement to us, who were working under definite handicaps. Your understanding made us perfectly satisfied to eat lunch at 3:45 p.m. and finally to get home around 8:30 at night, too tired and enhausted to read the evening paper... and then fall in bed, to get out again when it still looked like midnight in go and unload a car of fuel.

"The more than 3,000 families we serve with fuel oil and coal have been our principal thought. We were the only support you could lean upon, and we are proud to have done our part for patrons who mean a lot to us.

"Doing business is harder than its ever been; but as long as Fannon patros continue their wonderful cooperation, business assumes a finer 'public relations' quality. Your attitude inspires as We gladly accept our responsibility to you . . . and we'll do all we can to serve you faithfully."

Thousands upon thousands of little businessmen, I am thinking, can testfy to the basic sportsmanship of the American people—to the never-say-de spirit of customers—to the conclusion that when our boys are covering themselves with glory overseas, they are just extending onto far-flung battlefields the same spirit they have learned at the knees of their parels in America.

### <del>\*</del> \* \* \*

### BELLRINGER

# War Production Idea Man . . .



Norman K. (Stumpy) Stump works at top speed all day turning out self-sealing fuel tanks for U.S. warplanes, but nights find him leisurely turning out ideas. Result? He is acclaimed as "suggestion champion" at the Goodyear Tire & Rub ber Company plants in Akron, where he turned in 23 suggestions, 21 of which were accepted and put to work, last year. Besides rewarding workers for each useable suggestion, the company gives the "suggestion champion" an extra \$25. For, as Stumpy says, "Ideas, as well as hard work, will help America to win the war."

WH

playe

equa

Mana

of Stai

ord der

HELP

\* \* \*

FIRST OF A SERIES

43 give

hat

been e only

in it's

lity to

of the

Stump

turning

for U.S.

him leiesult? He

on cham-

e & Rub

Akron,

ggestions,

d and put

s reward.

able sug-

gives the

s, "Ideas,

will help



ON THIS THEME\*



# FREEDOM forges its own weapons

WHEN the historians of the future write the story of this war, the part played by industry and labor will take its place as an achievement equalled only by the deeds of our armed forces.

War demands on labor and management change many peacetime concepts of individual freedom. All of us accept that as a tempotary expediency. But let us not confuse the issue. Let us not forget that our America is, and will continue to be, God willing, not only a free land but a land with the highest standard of living in the world. And let us keep clearly in mind that our industrial system, which has given us the good things of life and now sustains us in war, was born of our freedom in the past and depends upon its continuance in the future.

The chief glory of the American industrial system is the private initiative which it fosters. Every company has its instances. Some from our own annals of alloy steels will be told later in this series.

It is a fitting tribute to freedom that these examples of private enterprise, born in liberty of thought and action are now contributing weightily in a war for the salvation of freedom.

Pinner producers in America of Sainless Steels. Originator and developer of airplane valve, detrical and special tool steels.

ALLEGHENY LUDLUM STEEL CORPORATION

BRACKENRIDGE, PENNA.



TO FORGE FREEDOM'S WEAPONS ... BUY WAR BONDS ... DO YOUR SHARE

# Milkweed:

Industry's New Baby



Milkweed floss in natural states lighter than air, warm as wed

F THE Japs had not prevented the exporting of kapok from Java, the milk-weed's sudden rise to industrial status in America might have been long delayed. But kapok was cut off and the United States Navy had to find a substitute—fast.

The Navy knew where to look for floss. It turned to the newly-formed Milkweed Products Development Corporation of Petoskey, Mich., headed by Dr. Morris Berkman, a Russian refugee.

For nine long years, Dr. Berkman delved into the marketing possibilities of products from milkweed, a roadside plant that could be grown in soil worthless for other farm products.

Through his experiments, Dr. Berkman discovered latex in the milky stalk, but not enough to warrant its development for rubber alone. In these same coarse stalks, he found the base of a new plastic, which could be used in manufacturing women's stockings, insulation wall boarding and paper pulp. He learned that:

The lowly milkweed's seeds contain valuable oil; the pod shells could be used in making linters for explosives—and the floss had what the Navy needs today, a warm, waterproof innerlining, embodying the life-preserving qualities of cork, for use in seamen's jackets and flying suits for pilots.

Just 22 ounces of milkweed floss can keep a sailor afloat for 100 hours in salt water. A flying suit in which this floss was used was chosen as one of the ten inventions submitted to the M-tional Inventors' Council.

Getting into operation was no snapts Dr. Berkman. He let 600 contracts to organizations and citizens to pick the milkweed crop in wild lands around Petoskey, which hitherto has been known only as a resort town for higher sufferers. The populace turned out en masse to recap the green pol harvest, for which \$50 a ton (dried) was paid

The Government has taken all the corporation's output for the duration, with the first year being used for testing mainly. Dr. Berkman has outstructed and patented three sets of machines to gin the floss and separate the seeds from the pods.

Dr. Berkman believes that oil mile and other industries may spring up a result of his discoveries. He has invented a bed pillow of milkweed for those who are allergic to feather pillows and he can think of dozens of other uses for the components and derivatives of milkweed.

The company, as a matter of fact, at ready has a contract with a sporting goods manufacturer for 50,000 pounds of milkweed floss to be used in making handballs after the war. The future looks rosy for the milkweed, Petoskey and Dr. Berkman, of course.

-GRACE V. SHARRIT

# The EQUITABLE

Life Assurance Society of the United States

## REPORTS TO THE PUBLIC

### PROTECTING THE FAMILY

\$590,000 A DAY is the rate at which benefits were paid in 1942 by The Equitable. Behind this impressive figure are thousands of human stories of life insurance in action.

A total of \$215,354,000 of Equitable enclits went to families throughout thenation last year. Of this, \$76,526,000 vas paid to widows, children and other beneficiaries-holding families together, providing funds for education, dearing homes of mortgage debt, and accomplishing many other cherished purposes. In addition, \$31,762,000 in muity payments brought comfort and peace of mind to older persons. nitable policyholders also received \$107,066,000 in matured endowments, dividends and other payments.

The flow of these Equitable dollars is doubly important in wartime be-

the Na-

no snap to ntracts to pick th is around

has been

n for hayce turnei green poi n (dried

en all the duration, ed for testhas con-

ee sets of

nd separate at oil mils pring up s

He has inkweed floss to feather

f dozens d onents an

r of fact, a

a sportin

,000 pound d in makin

The futur

d, Petoskey

SHARRITT April, 194 cause it helps strengthen the home front, benefiting not only individual families but the communities in which they live.

The Equitable has paid more than five billion dollars in benefits since it was founded 83 years ago.

### SERVING THE NATION

In direct aid of the war effort, The Equitable purchased \$489,999,000 of U. S. Government securities last year.

Other funds are invested in essential industries helping to win the battle of production, in public utilities, producing power for victory, and in railroads, performing vital transportation service. These assets, while providing family security, are at the same time contributing to the economic stability of the nation.

Because family security helps na-

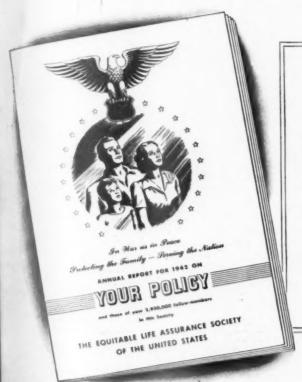
tional morale, it is particularly significant that the life insurance protection provided by The Equitable increased \$359,025,000 in 1942 to \$7,966,328,000.

The premiums paid on life insurance policies represent funds flowing into a useful, permanent channel of thrift, and help the government's efforts to check rising living costs.

It is in the national interest to own life insurance, and if the protection of your family is insufficient, to buy additional life insurance.

Looking ahead, the one great hope of all Americans is for a speedy conclusion of the war, with victory for a way of living that upholds the dignity and freedom of man. The Equitable is resolved to meet its every responsibility to the nation to help bring this about.

PRESIDENT



### THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

A Mutual Company Incorporated under the Laws of New York State

	DECEMBER 31, 1942
ASSETS	
Cash	\$ 58,906,222
*Bonds (incl. \$632,793,697 U. S. Gov't Bonds) Preferred and Guaranteed Stocks	42,976,544
Common Stocks	
Mortgage Loans	393,320,611
Real Estate	101,837,766
Loans on Society's Policies	173,799,872 29,483,290
Premiums Receivable and Other Assets	27,383,484
Total Admitted Assets	\$2,932,856,359
*Including \$5,795,912 on deposit with public aut	horities

### DECEDVES ATHER LIABILITIES AND SUBBLUS

RESERVES, OTHER EIABILITIES AND SORTEOS
Reserves for Policy and Contract Liabilities\$2,715,835,687
Policyholders' Prepaid Premiums
Reserve for Taxes 7.582,000
Miscellaneous Liabilities
1943 Dividend Apportionment
Total Reserves and Other Liabilities\$2,795,629,520
Unassigned Funds (Surplus)
Other Contingency Reserves
Total Reserves Other Liabilities and Surplus 82 932 856 359

### A BOOKLET FOR <u>YOU</u> AND <u>YOUR</u> FAMILY

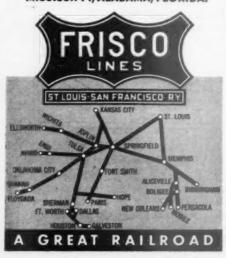
"YOUR POLICY," The Equitable's Annual Report to its Policyholders, is a booklet filled with human-interest stories and illustrations. It also contains practical information for all owners of life insurance. Your copy can be obtained from any Equitable agent, or by writing to the Home Office of The Equitable Life Assurance Society of the United States, 393 Seventh Avenue, New York, N. Y.



# FROM THE FRISCO COUNTRY

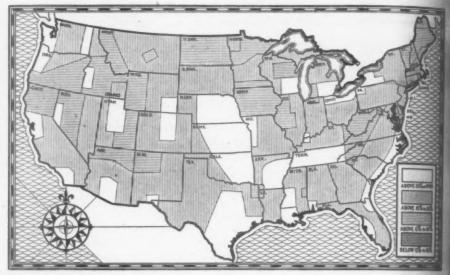
From the coal mines, the oil fields, the wheat and cotton fields—Frisco Faster Freight is transporting raw goods to the factories and processing plants throughout the vast Middle West, the Southeast and Southwest. Box, flat and tank cars haul away the finished products, including shipments for armies abroad. Military and industrial shippers know they can depend on Frisco to help "meet the boat," as this great railroad links transcontinental routes, border to border, coast to coast.

Thru the States of . . .
MISSOURI, KANSAS, ARKANSAS,
OKLAHOMA, TEXAS, TENNESSEE,
MISSISSIPPI, ALABAMA, FLORIDA.



# The Map of the Nation's Business

By FRANK GREENE

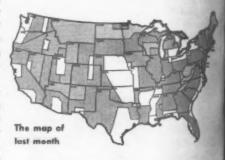


THE RISING momentum of war production held industrial output at its record level during February. Shipbuilding and airplane production increased sharply and steel mills exceeded weekly records of January. Railroad freight and passenger traffic ran far above last year and weekly electricity output averaged 14.6 per cent above last February. Engineering awards were 35 per cent greater than in January though low compared with 1942.

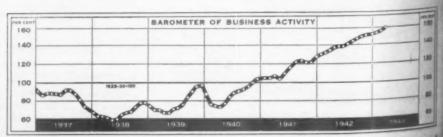
The East Coast oil crisis passed the critical stage and coal production was largest in years with adoption of the six-day week. Increasing manpower shortages caused heavy labor drains on both war and civilian industry. The wholesale commodity index continued upward, with farm prices, particularly cotton, grains, and livestock reaching new highs for many years.

Responding to favorable war news, stock prices went to the highest in 16

Agricultural prosperity, high industrial activity and heavy consumer buying are reflected in the Map.



months with transactions heavy. Department store sales rose 31 per cent from last year's high levels in a rush of buying precipitated by fears of possible rationing of clothing and apparel.



Continuing its uninterrupted rise, the Barometer climbed to a new record level in February, reflecting further marked expansion in war production.

NATION'S
BUSINESS

1943



FOOD DEALERS
SURVIVE? PAGE 23

CHICAGO ILL
LIBRARIES
LIBRARIES
LIBRARIES
LIBRARIES
LIBRARIES
LIBRARIES



to our experience as wartime "Packag-

ing Headquarters for America."

CONTINENTAL CAN COMPANY

America's favorite container is the

bodyguard of countless war supplies.

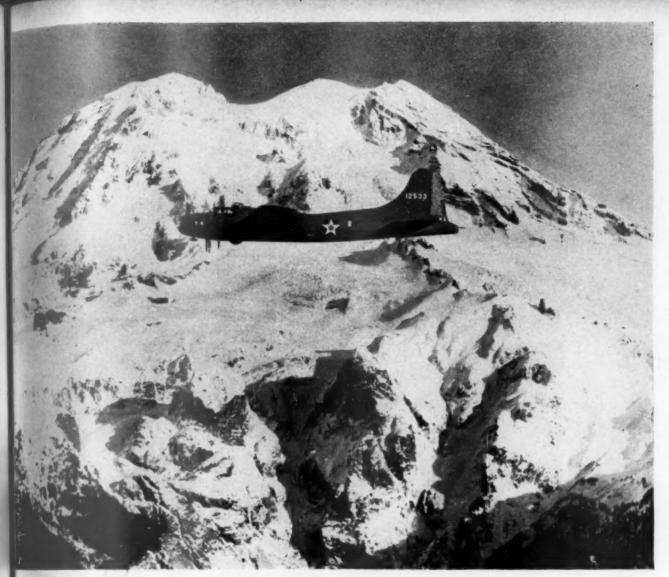


FACILITIES FOR WAR WORK

Metal containers are delivering the goods safely—foods, supplies, and bullets arrive ready for action. Continental is making millions of these cans along with other needs, including plane parts.

Yet, rushed as we are, we can still take on more! Right now, a part of our vast metal-working facilities for forming, stamping, machining and assembly is still available. Write or phone our War Products Council, 100 East 42nd Street, New York.

HELP CAN THE AXIS—BUY WAR BONDS



Official photograph, U. S. Army Air Forces

# How New Steel-Tipped Tires Stop Planes on Ice

TEEL CLAWS for the flying birds. A new kind of tire that lets war less down smoothly on icy fields and runways and bites into the ice with hundreds of steel edges. Edges but slice into the ice like the blade of a hockey player's skate.

RK

ig the

along

parts.

an still

of our r formisembly

1 42nd

5-BUY

This new B. F. Goodrich tire has all the cushioning qualities of regular sheatown Airplane Tires. But embedded in the rubber of the tread are moled steel wires. Coils which stand an edge ready to dig in the instant the introuches the ice.

As for long life, this new tire wore at test machine—and was still in mod shape!

Now landings of war planes can be

there is ice. And after the war, when planes fly only on peaceful missions, their landings, too, will be safer.

And perhaps for your car, similar tires will be available—winter

tires will be available—winter tires to provide protection from skidding on ice.

B. F. Goodrich is constantly developing new ideas in rubber — improving old ones. Bringing forth inventions which speed the war effort and promise a better world with peace.

In addition to supplying military requirements, B. F. Goodrich is furnishing tires today for all essential civilian needs. Take your ration certificates for truck or passenger car tires to your B. F. Goodrich Silvertown Store or B. F. Goodrich



Notice's Business is published on the 30th of every month by the Chamber of Commerce of the United States. Publication Office, Washington, D. C. Editorial, Admining and Circulation Offices, 1615 H Street, N. W., Washington, D. C. Subscription price \$4.00 one year; \$9.50 three years; 35 cents a copy. Entered as small-this matter March 20, 1920 at the Post Office at Washington, D. C., additional entry at Greenwich, Coun., under the Act of March 3, 1879, Printed in U. S. A.





HUNTER ELECTRO-COPYIST, Inc.

493 S. Warren St.,



The design engineers work day and night to get plans ready—1,500 drawings may go into building one plane

# Pencil Pushers' War

By LAWRENCE N. GALTON

F THERE'S one under-rated group of people in this war, it's the men and women who are working in the war plants, not with their hands but with their heads. Everyone knows about the welders, riveters, machinists and the other "soldiers in overalls." But few realize the vital jobs the white collar workers are doing, and how many of them are needed to make the wheels go 'round. In Douglas Aircraft, for example, for every worker on the production line, there's another at a desk.

The pencil pushers start right at the beginning when the Army, let's say, decides it wants a new plane one that will do this, that and so and so. What kind will meet the requirements? The design engineers get that problem.

As part of the job, 300 draftsmen hunch over boards making as many as 1,500 drawings; and, even while the drawings are taking shape, experts in the plane's various elements—electrical, mechanical, power, controls, heat and vent, hydraulics, etc.—ponder over them, checking every detail.

That's the beginning! Soon an army of clerks begins the job of gathering in from all over the country the 18,000 parts needed for the plane. Then another white collar brigade sits down to make the 6,000 working drawing for clips, valves, fittings and the has of other devices required. Next Tool ing puts its 1,000 white collar peopl on the job of designing and orders the 20,000 tools needed.

At this point, Production Plans, with its hundreds of clerks, is work orders—some for blueprint others telling each department was stock to provide, where, how. Schouling then begins its job of seeing the all parts flow to the right spots out assembly lines at the right moments.

Meanwhile, Personnel's white to lar men have been hiring thousand of workers. And now scores of inspet tors move into the plant, scores may go out to check up on sub-contractor. Off in the background, too, the Com troller's department quietly loo after the money, Maintenance wate es over plant and equipment, at Telephone, Plant Protection and Med cal Departments are on the alert.

Paper work! There's the giant form motored result coming off the assembly line. Capacity—equal to a railrobox-car. But pile into it the tons paper used in its design and constrution and the plane would never get of the ground.



### HOUDAILLE-HERSHEY CORPORATION

General Executive Offices, Detroit, Michigan

PLANTS AT: Buffalo, N. Y. \* Cheektowaga, N. Y. \* Jackson, Mich. \* Detroit, Mich. \* Chicago, Ill. \* Decatur, Ill.

North Chicago, Ill. \* Muskegon, Mich. \* Oshawa, Ont., Canada

MAILLE'S PEACETIME PRODUCTS: Houdaille Hydraulic Shock Absorbers for Automotive, Railway and Industrial mipment \* Bumpers and Grille Guards \* Ignition Locks \* Brake Levers \* Air Cleaners \* Crankshafts and landshafts for Aircraft, Automotive and Marine Engines \* Aircraft Landing Struts and Shimmy Dampers \* and landstries precision-made parts for the Automotive, Aircraft, Electrical Refrigeration, Radio and other industries.

ance wate

on and Med

ne alert.

e giant for

f the asset to a railro

the tons

nd constru

never get o

# We 7our the HOME FRONT

Completely automatic flying is predicted within the next few years. Bendix Aviation Corporation's 2,500 engineers have taken on the job of eliminating human error in flying. More than 30 per cent of the company's present volume is in products not on the market before the war.

A "health bomb" which exterminates disease-carrying insects is protecting Tropic armies. The dispenser discharges a mist fatal to flies and mosquitoes but harmless to man. One dispenser will fumigate 150,000 cubic feet, equivalent to 240 army pup tents, says Westinghouse Electric & Manufacturing Co., the makers.

Six research fellowships at leading colleges and universities and at the National Bureau of Standards are sponsored by Structural Clay Products toward development of new uses for clay products in the war program and to the post-war building program. The Institute-sponsored research program includes studies of means of further lightening brick and tile walls, reinforcing masonry walls and testing ability of brick and tile to withstand bombs and fragmentation.

The Research Director of the American Optical Company, Southbridge, Mass., has added a rare metal, didymium, to standard welding glass to produce a glass which permits gas welders to see welding operations from beginning to end.

At a series of parties employees of the American Viscose Corporation and their families toured the Marcus Hook plant, saw an employees' show, numerous exhibits of parachutes and other war equipment made with rayon yarn spun at the plant and heard a first-hand account of a Solomon Island battle from a U. S. Marine who was wounded there.

Cloth garments shed water, resist stain when dipped in improved water and stain repellants produced by E. I. du Pont de Nemours Fine Chemicals Division.

Amphibian jeep trailers designed by Willys-Overland Motors, Inc., Toledo, will carry a quarter-ton load on land or sea. Trailer silhouette is as low as that of the jeep on land, only six inches in the water.

A "Kick-The-Jap" boothas camouflage green uppers, cleated rubber soles for sure-footedness and thick duck insoles for comfort. Army officers in the Tropics helped United States Rubber Company, New York City, with the design.

An all-fiber coffee can made by American Can Company, New York City, is manufactured and filled on existing equipment with only a few minor machinery adjustments.

Illinois Central System started a school April 5 to train 16-year-old boys as trainmen, switchmen and firemen.

A synthetic vanilla tablet developed by Monsanto Chemical Company, St. Louis, will save 90 per cent of the shipping space on overseas army's favorite flavoring.

Each service man shipped abroad will soon carry his own raft in a parachute-type pack. A Walter Kidde & Company, Inc., bottle holding % lb. of carbon dioxide will inflate the boat.

A paper which can be used for boiling water has been developed by Union Bag and Paper Corporation, New York.

A garbage container of special asphalt-treated paper board. Container Corporation of America, Chicago, says it will stand up in all climates and under all weather conditions.

Howard Foundry Company, Chicago, has a new magnesium foundry with a monthly capacity of over 500,000 pounds of castings. Output of magnesium during the next few months will exceed the entire 1938 U. S. volume. On a fourmotor bomber these castings will save the weight of two men.

Employees at the Camden, N. J., plant, Radio Corporation of America, turned in 23,084 ideas for increasing production and conserving critical material in 1942; 32 per cent were usable against a previous high of 18 per cent.

General Electric Company employees lost only about one half-day per 1,000 hours due to accidents, a new all-time low and six per cent under the 1941 record.

Lord and Taylor, New York department store, wagered \$5,000 via newspaper advertising that clothing would not be rationed this year. If clothes are a tioned, that amount will go to charily. The day the advertising appeared, telephone calls from interested people a pressing approval swamped their switch board.

A self-answering telephone is one of several developments which Bell Telephone System has ready for commercial use after the war.

Metallizing Engineering Company, Inc., Long Island City, sponsoring a series of contests designed to improve methods of salvaging and maintaining machinery under war-time conditions sent a \$250 war bond to John Frisch mechanical engineer, Price Brothen a Company, Ltd., Riverhead, P. Q., for hidea of renewing irreplaceable 2000 pound bearing-journals used on heary paper machine rolls, with only 28 pound of sprayed steel.

Koppers Company has newly developed improvements in the treatment of wood to make it fire resistant and stippaintable which greatly increases wood usefulness in war-time.

15,000 vehicle men and tractor operators of the Railway Express Agency will receive safe-driving merit cards for driving without responsible accident in 1942. About one-third of these men have kep their records free from mishap since the agency's safety plan was started bed in 1935.

Army instructors can now prepare page code messages 200 times faster that formerly and are speeding classroom training of flying cadets because a small alnico magnets supplied by General Electric Company.

Looms designed to weave the silky seed of the Angora goat have been converted by L. C. Chase Company, New York City to produce miles of duck cloth which is processed against water, mildew and fin and woven to meet the Army's specifications.

Marshall Field and Company has one of the largest service flags in the company has one try. It is 47 x 60 feet with 1,916 star for employees in service. There are a special blue and white stars for women employees who have joined the WAAC and WAVES.

The Order of the Sun of Peru, the Peruvian Government's highest decoration for private citizens, was bestored on Thomas J. Watson, President of the ternational Business Machines Corperation, for his services in "further international fellowship and understanding, not only in South America, but to the whole world."

Brown Instrument Division of Minnespolis Honeywell Regulator has established a separate food dehydration controls department.

UN

# There is still a Rubber Crisis in 1943

It is true that you no longer need a ration certificate for recaps.

It is true that the Government has cut through all red tape to make it easier for every citizen to keep his war car rolling for essential driving purposes.

If you wear your tires down too thin so that they cannot be recapped . . . if you fail to keep your tires properly inflated and in good repair...the whole rubber situation could change overnight.

You would need new tires and the entire objective of the Government's campaign would be missed.

There can be no let-down for the military needs.

There is not a man, woman or child in America that wants to take an ounce of rubber needed for a son or a brother at the front.

To go from the present recapping program to the building of new tires would mean that our armed forces would have to do without the equipment they need.

It is the intent of our Government to put more and better planes into the air; more and better tanks on the ground; more and better ships on the sea than anything that the Axis can produce.

This is not only to win the war, but to shorten the war-and to save the lives of American boys.

You make this possible by doing your share . . . by not allowing your tires to wear down too thin . . . by driving under 35 miles per hour . . . by keeping your tires inflated properly... by seeing that the necessary repairs are made when they should be.

The Baruch report stated that we were going to hit the bottom of the rubber stockpile in 1943. That bottom comes nearer and nearer.

Recognizing this fact the Government has worked out a program that will still keep our cars rolling for essential driving.

Let's do our part.

charity. red, tele eople e ir switch

is one of Bell Tele

mmercia

ompany,

nsoring a

o impro aintainin

condition in Frisch

rothers ! Q., for hi

ble 2000

on heavy 28 pound

wly devel eatment d

t and stil

ctor opera

gency wil ds for driv

ent in 1942

have ker p since the

arted bad

epare pane

aster than classroom because of ed by Gen

silky fleed n converte York City th which is lew and fir y's specif

ny has on n the coun-1,916 stars here are 3

Peru, th hest decom

as bestow ident of h

ines Corpo

"furtheri

understan rica, but fo

of Minneap s establish

controls de



ECAPPING 1. After a thorough inspecmost the tire inside and out to determine theher it is fit for recapping, all necesfor word syrepairs are made. The old tread is the WAAC in buffed smooth to prepare it for a at of special rubber cement.



2. The new tread, called "camelback," is carefully applied to the sticky surface of the tire and rolled down under pressure to squeeze out any air bubbles that could cause trouble later on. This "camelback" is made from reclaimed rubber processed from the scrap rubber.



3. The "cure" bonds the new tread to the old. Great skill is needed in maintaining the rigid factory controls necessary. Such quality recapping, using wartime materials, will give good service if air pressures are kept up to 32 lbs. and speeds kept down below 35 m.p.h.

### Things you can do to save every ounce of rubber left in your tires

- 2. Never drive alone . . . Share your car.
- 4. Have your tires inflated every week or two.
- 1. Never drive unless it is absolutely necessary. 5. Baby your tires . . . Start and stop slowly; slow down on curves.
- 3. Have your tires recapped in time to save them. 6. Avoid curbs, ruts, especially pavement-breaks, now more serious because of wartime necessity.



### COMPANY RUBBER

ROCKEFELLER CENTER, NEW YORK CITY-In Canada, Dominion Rubber Company, Ltd.

Everything for the front - for a better America tomorrow

May, 194 MATION'S BUSINESS for May, 1943

# double life...



Eight hours every day, week after week, Molly pulls the trigger on a gun that's aimed at Shickelgruber's head. That's Molly's job and she does it like a veteran. But when the whistle blows



Molly slips into another life and becomes a part of the home-front that we're preserving even in the darkest days of war. Also serving on that home-front are thousands of Ohmer Cash Registers, delivering the reliable, effi-cient service for which they are so famous.

As you would expect, Ohmer's technical and production facilities are now concentrated on war work. Meanwhile, Ohmer productsmany of them purchased years ago -continue to serve business and industry, rendering dependable service under the greatly increased demands of a nation at war. The service Ohmer products are rendering now is the strongest proof of their efficiency, performance and value. Ohmer Register Company, Dayton, Ohio.

CASH REGISTERS for every type of retail store FARE REGISTERS & TAXIMETERS for transportation TOOL CONTROL REGISTER SYSTEMS for industry.

# Molly leads a The Map of the Nation's Business

By FRANK GREENE

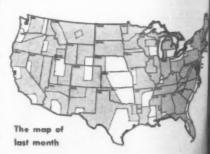


MARCH industrial production for war needs made many new records. The steel industry, operating at 100 per cent of capacity, produced the greatest tonnage in history, while shipbuilding reached a new high with the completion of 146 merchant vessels. Though the number of freight carloadings was slightly below last year. longer hauls and heavier loading produced earnings more than double those of a year ago.

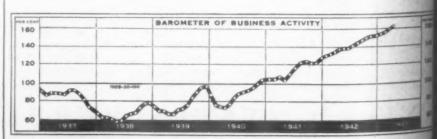
Production of electricity passed all previous peaks and was 17 per cent above last March. Engineering awards, reflecting curtailment of both government and civilian construction, dropped to less than half the 1942 total. Coal production expanded sharply under strong demand.

Stock market prices rose, volume increased and bond trading was the largest for any March on record. Commodities advanced to highest levels in

The Map shows continued improvement over a year ago, owing to advances in farm prices and industrial pay rolls



18 years, led by foods and other is products. Retail sales were lower if February but above last year, though compared with heavy East sales a year ago. Rationing and sho ages seriously curtailed food sales



Output of war materials and supplies held at a record breaking page March and the Barometer continued its advance to a new war peak

LIBRARIES
RIODICAL DEPT H M22

# TION'S

# USINESS

EDA. OF BUS. Lib.

PASSED THE AND MARKET STATE OF THE

other far e lower that t year, a eavy East g and shor ood sales

ed im-

n farm

ay rolls

S

ing pace

May, 1



# "READING BETWEEN THE LINES OF YOUR BLESSED LETTER ..."

"Reading between the lines of your blessed letter, I feel again the warmth of your love, and your unshaken belief in our future together. Just to know there is still in the world such faith as yours is enough to keep me sane. Just to know that you somehow made a happy Christmas for the children is enough to keep hope alive.

"I shared your letter with the others. It's what they live for, too. The knowledge that our wives and mothers and sweethearts are keeping our homes together—while they help to forge the weapons that will some day set us free.

"Reading between the lines of your blessed letter, I know that once again the sirens will howl over Tokio, and bombers will fly so low we'll see the stars on their wings.

"So every day I look to the sky, waiting for them to come again. They will come—no one of us doubts

that, ever. And my faith and hope in you keeps my head up and my heart high, while silently I pay for the day they'll come—to deliver us from evi—to bring me home to you again.

"Home—where I want unchanged, just as I remember them now, all the things that I hold dear. The right of a man to think and speak his thoughts, the right of a man to live and worship as he wants, the right of a man to work and earn a just reward!

"Don't ever let these be lost. Keep everything just as it is until I come back . . . back to America where no armed guard bars the door to liberty . . . where there will never be a barbed wire fence between a man and his opportunity to work and build and grow and make his life worth living—this war worth winning!"

h onl

NASH-KELVINATOR CORPORATION, DETROIT





# We Borrowed Their "Nylons" to Make Tires for the Navy

typical example of B. F. Goodrich leadership in tires

HINGS are happening in the

New ideas are being born which inserve rubber today—and will save to money tomorrow.

in the B. F. Goodrich laboratories by the trying out dozens and dozens from methods of tire construction. We trample, tires are being built with him cord—as well as of cotton or hon. Nylon has such great strength the first possible to build tires with subber. Passenger car tires built in only two Nylon plies ran far agent than four-ply conventional type is when tested for ply separation advertioad!

And bruise resistance is so great in the tires made with Nylon cord at both the Army and Navy have ated orders for this new type tire

that saves weight and makes landings safer. B. F. Goodrich was the first company to make and deliver such tires to the U. S. Navy.

So the Nylon your wife is not getting in the form of hose is going to war. Some of it is being used in experimental

work that may save thousands of tons of rubber. Perhaps one day you may be able to buy B. F. Goodrich Silvertowns for trucks with eight plies instead of twelve, that with weight reduced considerably will run cooler at high speeds—all because of today's wartime developments. Maybe, we say. For there are still many problems to be solved.

We do know that when this war is over B. F. Goodrich will offer you far better tires than ever built before Pearl Harbor. Whether they are built with Nylon, rayon, or cotton cord, with crude or synthetic rubber, B. F. Goodrich will be first with the new mileage-saving, money-saving developments. In peace as in war, B. F. Goodrich will be "First in Rubber".



Nation's Business is published on the 30th of every month by the Chamber of Commerce of the United States. Publication Office, Washington, D. C. Editorial, Administration Offices, 1615 H Street, N. W., Washington, D. C. Subscription price \$4.00 one year; \$9.50 three years; 35 cents a copy. Entered as matter March 20, 1920 at the Post Office at Washington, D. C., additional entry at Greenwich, Conn., under the Act of March 3, 1879. Printed in U. S. A.



# When You Change Your Address

... please notify us promptly. Your copies of Nation's Business will then reach you without delay and without interruption.—NATION'S BUSINESS, 1615 H St., N.W., Washington, D. C.



would support the current rate of consumption for only between 18 and 45 months.

In the past, the industry has always met the ever-normal crisis of expanding demand through discoveries of new wells on the one hand, and through better utilization of crude oil, on the other. Present war-time restrictions on many power and materials have noticeably reduced wildcatting, and experienced men in the industry tell me that discoverien result only through the drilling of many exploratory wells. At this time, there is interest in new wells in West Texas Though this field has not yet been proven, it could potentially add ten in 15 per cent to our oil reserves.

Practical geologists in the industry believe that price and general economic policies can result in a revival of a discovery within the United States. They point out that American supplies can also be supplemented by imports and eventually, in case of a general short-age, they foresee that oil can be astracted from shale, or manufactured through hydrogenation of coal, which is abundant, through a process known in this country and already in use in Germany.

As offsets to the current production depletion of raw material assets, in should remember that not all of the products are gravitating to destructive uses. Some are being detoured into stockpiles, and a large amount will eventually return to the nation's inventory in the form of scrap.

Nevertheless, in dreaming about the future, we should recognize that, if we begin to approach exhaustion of any of our basic mineral resources, an important ingredient for national prosperity will have been removed.

### Sermon in facts

ethe

by B

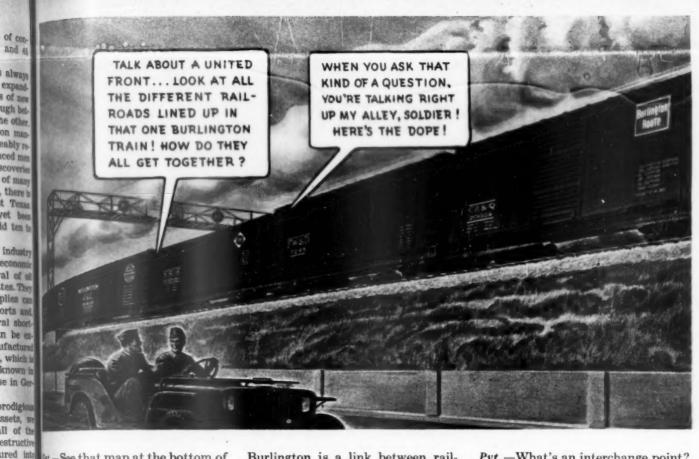
CONTRASTS in the way government treated itself as manager of the nation's railroads in the second year of World War I, as against the way it treats private management in this second year of World War II, are shown in a study by Railway Age.

In 1918, the Government granted itself a \$1,000,000,000 increase in passenge and freight rates. In 1943, the Government ordered private management to reduce freight rates by \$300,000,000.

During the last war, government in creased its railroad taxes only \$10,000,000. The increase so far in this war-principally federal—is \$655,000,000.

In the first quarter of 1918, under government management, freight cars is service increased 3.4 per cent, while freight traffic handled declined 2.6 pt cent. In the first quarter of 1948, under private management, freight cars in creased four per cent but freight handle increased 27 per cent.

Which kind of management do the taxpavers want?



#.-See that map at the bottom of he page? See all those lines which meet with each other to form a ntwork over the whole country? about the as are the Burlington. The black or any of the black an important are a lot of other railroads, prosperity achserving a particular part of the country.

ount will

n's inven-

hat, if we

cts

he nation's of Worl

treats pri

nd year

a study b anted itsel passenge he Govern ment to re 00,000. rnment i ly \$10,000 this war 000,000. under go

ht cars h cent, while ned 2.6 pe 1943, und nt cars is ght handle ent do th

M.-I get it—the red lines hook with the black lines in every faction, don't they?

R-Right-and that's why you the cars of so many different raileds in that Burlington train - in by Burlington train. Actually, the

Burlington is a link between railroads of the North, East, South and West.

Pvt. - I can see from the map that it covers a lot of important territory, all right.

Sgt.—Yes, the Burlington Lines total 11,000 miles in 13 states—some of them agricultural, some of them industrial, and all of them mighty important in winning this war. But it isn't just size that makes it such an essential link. Another big reason is that the Burlington serves 22 major gateways and has a lot of interchange points within its territory.

Pvt.—What's an interchange point?

Sgt.—A place where freight cars are switched from one railroad to another.

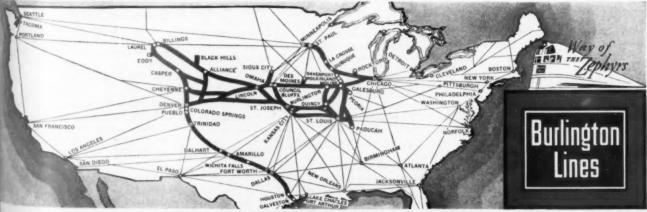
Pvt.-Say, how come you know so much about railroads?

Sgt. - That's easy, my dad's a railroader.

Pvt. - Not a Burlington railroader, by any chance?

Sgt. - How'd you guess it? Yes, he's been with the Burlington for over twenty years, and he's every bit as proud of his job as I am of mine.

I hat's right, Sergeant. Your dad and more than 35,000 other Burlington workers are proud to be among the armies of railroaders that have teamed up to do the biggest transportation job, both freight and passenger, in history.



AN ESSENTIAL LINK IN TRANSCONTINENTAL TRANSPORTATION

me, 1945 ATION'S BUSINESS for June, 1943

# We 7our the HOME FRONT

They've "found" thousands of tons of copper at the Buick Division of General Motors Corp. and they are producing large caliber steel shell cases without, in effect, dipping into the nation's steel supply. Officials reported enough steel is being saved in the forging processes on aircraft engines and tank parts to meet steel shell case requirements at top production.

As a patriotic move in connection with the national "Victory Garden" program, the golf course built for employees of the Ilg Electric Ventilating Co., Chicago, is being plowed up and divided into garden plots for Ilg workers.

General Electric Company and associated companies employ 9,222 from 325 domestic colleges and from foreign colleges in 34 countries.

The number of inventions originated by employees of Westinghouse Electric and Manufacturing Co. in 1942 increased 30 per cent over 1941.

In 1942 the Bullard Co., Bridgeport, Conn., machine tools production totalled 250 per cent of the previous year's output and was ten times that of their peak year.

Curtiss-Wright Corp., New York City, acquired a New Jersey factory for its newly organized development division formed to anticipate development of new products and new markets in the postwar period.

Sylvania Electric Products, Inc., Salem, Mass., received the Grand Trophy, first prize in the accident reduction contest of 307 firms in Massachusetts. The working period represented 3,332,000 manhours without lost-time accident.

Mechanized equipment for the armed forces can now cross safely on the lightest bridges known because of plywood and adhesive treadways for pontoon bridges developed by the Plaskon Corp.

Former workers of the Package Machinery Company, Springfield, Mass., now receive personal chatty notes from the company president who considers this a valuable activity now to better post-war employee relations.

The 750 employees of American Bantam Car Co. have a Victory Vegetable Farm with a skilled manager (recruited from ranks of their employees). A few

farm-wise employees will go on the vegetable shift two days a week at their regular pay.

A simple altitude test chamber for aircraft radio developed by RCA Victor Division of Radio Corporation of America enables engineers for the first time to see the entire operations under conditions duplicating the stratosphere seven and one-half miles up.

Those busy fingers which have been folding surgical dressings for the Red Cross may soon be released for other work. E. I. Dupont De Nemours have a device which folds surgical dressings three to five times faster than by hand.

A combination shower and both using almost no critical materials, primarily for low-cost houses and war homes has been developed by Pittsburgh Plate Glass Co., Pittsburgh. Results are so pleasing in appearance that utility designers see promising future even after the war.

A novel help wanted advertisement for white collar workers for the Victory shift from 6 PM to 11 PM Monday through Friday, brought 2,000 men who waited for four hours for an interview at the Macallen Co., South Boston, Mass.

Aided by Brazilian and Mexican cotton linters, the Hopewell, Va., plant of Hercules Powder Company has expanded production 200 per cent since the outbreak of the war.

A new Houdry Catalytic cracking unit by Gulf Oil Corp., at Port Arthur, Texas, brought that company's expenditures to \$15,000,000 for increasing aviation gas facilities at that plant.

To reveal instantly any attempt to tamper with fire extinguishers American-Lafrance-Foamite Corp., Elmira, N. Y., has introduced a new inexpensive extinguisher case constructed of noncritical cardboard stock. It safely houses the extinguisher from the reach of unauthorized persons and yet allows instant removal for legitimate use.

Pure silver is now being used in making special war-time "tin cans" . . . 16 cents worth of silver solders 1,000 No. 2 cans.

A body dusting powder will protect overseas personnel against typhus-carrying pests. Already millions of two-ounce cans have been manufactured by E. I. Dupont de Nemours and put in soldiers' packs.

Completion and full-time operation of Columbia Steel Co's. new continuous rod mill at the Pittsburg, Cal., works mark another finished step in the United States Steel Corp.'s \$700,000,000 war expansion program.

Olive drab bugles for the U. S. Army are now being molded of plastic saving almost two pounds of brass, a critical material, on each bugle made.

An "assembly-line" salvage system saves 1,000,000 pounds of steel shaving and cuttings each month at the Eclips-Pioneer division of Bendix Aviation Corp.

willys Overland Motors has designed an engine "bed-warmer" for U. S. Amy Jeeps permitting instant starting ever when vehicle has been standing over night in temperatures as low as 40 as grees below zero.

Cooper-Bessemer Corporation is using Meehanite Metal to replace brass in the production of propeller casting reducing production costs as much as a per cent in addition to conserving a sestantial tonnage of critical brass.

Houses that fly, designed by the U.S. Army and Air Corps Engineers, will be fabricated by the Butler Manufacturing Co., Kansas City, Mo. These prefabricated buildings will be flown to the exciton site complete in every detail.

Food for the company-owned and operated cafeteria will come from the 650 acre tract leased by the Denison in geneering Co., Columbus. Half of the land will be cultivated, the other hal used for raising poultry, sheep, cath and hogs. Any surplus food will be sold to the employees at reasonable prices.

An outstandingly low absenteels ratio of 2.5 per cent has been made by the 6,100 employees of Lukens Stee Co., Coatesville, Pa.

Legal Aid for Military Personne
—Program of free legal aid for military
personnel at home and overseas, as
nounced by War Department.

A Library on Welding, believed to be the most extensive in existence, he been established at Ohio State University, the gift of Mr. A. F. Davis, the president and secretary of the Lincoln Electric Co., Cleveland.

Marching to jobs to the strains of bugles and saluting the flag emphasis employees' role of soldiers of production at the Marmon-Harrington Co., Inc. Indianapolis.

Chemists are promising two more contributions to automobile transports tion after the war—40-mile-per-gallog gasoline and Nylon tire cords of aparalleled strength will be available.



lous rod d States pansio

S. Arm

ce bras

casting uch as 5

ng a sub-

the U.S.

s, will be

facturing prefabri

the erec-

ned and from the

nison En-

lf of the

ther half ep, cattle

ill be sold

senteels made b ens Stee

ersonne r militar

rseas, a

eved to b ence, h

te Univer avis, V

ne Lincol

strains (

emphasia

of produc n Co., Inc.

two mon ransports

-per-gallo

rds of w

vailable.

tail.

Would you trust this man?

(Case No. 199,267 from U. S. F. & G. files)

A southern real estate company trusted him. And why not? He was secretary of the concern . . . employed for over 15 years . . . enjoyed an irreproachable reputation . . . was married and had several children. Yet he embezzled nearly \$30,000! Fortunately he was bonded through U. S. F. & G., so his company was spared financial loss.

Appearance, reputation, background provide no absolute clue to character. The only sure protection against embezzlement losses lies in insurance, and when an insurance company is willing to write fidelity bonds covering your employees that is a tribute to their honesty and integrity. If your company has not reviewed its bonding program in the light of today's employment problems, we suggest that you do so at once.

Illustrated on this page are other cases, showing some of the hazards that demand insurance protection as a safeguard against financial loss. Your local U. S. F. & G. agent will be glad to make an audit of your present insurance program to help guard against wartime risks. He is one of thousands serving communities great and small throughout the United States, its possessions, and Canada. Consult him today.

# U.S.F.&G

STATES FIDELITY & GUARANTY CO. affiliate:

BRANCH OFFICES



HOME OFFICES: BALTIMORE, MD.

Consult your insurance agent or broker as you would your doctor or lawyer

(Case No. 1-B-3524)

### Robber makes off with payroll

It was an unhappy payday for the employees of the dress manufacturing concern when the robber held up the book-keeper and made off with the \$2,140.49 payroll. But thanks to payroll insurance, the con-cern suffered no loss and the employees received their pay. employees received their pay. Crime usually increases during a war. Are you protected against such losses?



(Case No. 21-G-1326)

### Tire spins stone through window

One moment the proprietor of the Pennsylvania store was sit-ting peacefully in his shop . . . and the next, his display win-dow was shattered to bits. The cause: a stone kicked up by a passing car. The cure: plate glass insurance with U.S.F.&G. who replaced the window and saved the shopkeeper loss. Are your windows, glass doors, or dis-play cases similarly protected?



ne, 1941 ATION'S BUSINESS for June, 1943

# Dr. Goebbels Predicted Predicted Paralysis

The American railroad transportation system will be paralyzed with its tremendous wartime burden—that's what the enemy said. How different the record! Frisco, along with all other American railroads, is carrying the greatest passenger and freight loads in history—and carrying them promptly, safely, efficiently. No, Dr. Goebbels, there will be no paralysis of rail transportation in freedom-loving America!

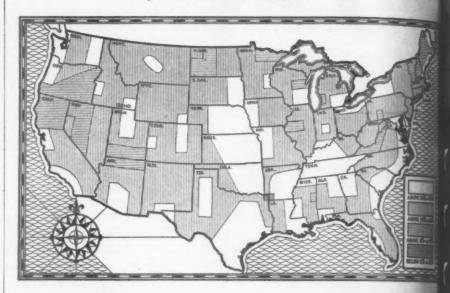


ONE OF AMERICA'S RAILROADS
-ALL UNITED FOR VICTORY

# The Map of the

# Nation's Business

By FRANK GREENE

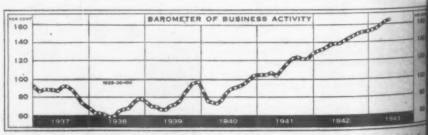


INDUSTRIAL activity in April moved to slightly higher levels as steel production in the last week ran to highest output on record. Airplane and merchant shipbuilding also made new highs. Railroad prosperity continued, with carloadings higher than in March, while motor carriers' volume was 21 per cent above a year ago. Electric power output rose contraseasonally with a gain of 18 per cent above a year ago. Engineering awards declined to less than half of those for April, 1942, as war plant expansion slowed. Military demands reduced oil and gasoline stocks to a critically low level on the Atlantic coast.

The Second War Loan was oversubscribed, while volume of bank clearings was highest since 1930. Security dealings were heavy with prices somewhat lower as the result of the Government wage and price program and the threat of a soft coal strike. Heavy consumer buying, reflecting peak employment and high farm income, causes further improvement in the Man



The commodity price index held a peak level despite weakening cal and hog markets. Wholesale and tail trade suffered from shrinking ventories although Easter volument the largest for many years.



Continuing its uninterrupted rise, the Barometer reached a new high April with output of war industries holding at record levels

# NATION'S USIGNESS

nt and es fur-

ning can ale and l prinking i

June, 19

of Bus. Lib.

1943

THE UNIVERSITY OF CHICAGE PERIODICAL DEPT H MSS CHICAGO ILL

Pleage Year Support
BUY WAR SAVINGE
BONDS AND STAMPS

# I "GREW UP" IN A FOXHOLE

I didn't think it was going to be like this the day we all marched down to the station. The band was playing and Mom and Dad and Dot were waving goodbye. And even though there were tears in Mom's eyes, I felt great.

I remember Bob Allen slapped me on the back and said, "You'll be a hero, chum." And we waved some more and the train pulled out.

I didn't know what I was fighting for then . . . but I know now.

I'm not kidding myself.

I'm not fighting for glory or medals or big parades with ticker tape and paper coming down like a snowstorm.

I'm not fighting to cram my religion or my ideas down somebody else's throat.

I'm not trying to create a new world order or a dream state.

Out here you catch on quick. In a foxhole you strip things down . . .

And what I'm fighting for is home!

For the right to come home again to the town, the folks, the girl, the job I had before I went to war. Home to America where freedom of speech means a man can grouse or praise as he sees fit... where freedom of worship and freedom from fear aren't just talk but are taken for granted. America, where I can live like my folks lived . . . where our way of living has always brought us new and better things . . . and where there's freedom of opportunity for every man to plan and build and grow to the top of his ability!

That's home . . . that's America to me. Keep it that way until I come back.

Here at Nash-Kelvinator, we're building 2,000 h.p. Pratt & Whitney engines for the Navy's Vought Corsair fighters . . . Hamilton Standard propellers for United Nations' bombers . . . working to hurry the day when our boys will come home and we can turn again to peaceful things, to the building of an even finer Kelvinator, an even greater Nash!

NASH-KELVINATOR CORPORATION, DETROIT





O. W. I. Photo

# Track of All Trades -and Master of All

typical example of B. F. Goodrich development in rubber

HE endless band rubber track you see on this army scout car started to a farm tractor. It was 'way back 1931 that B. F. Goodrich was the to develop rubber tracks for slowing agricultural tractors.

Now this track is being used on hides designed for fifty-eight differmilitary purposes! It makes possible deadly tank destroyers, fast scout as gun carriers, and other combat hides. It's truly a "track of all trades" and master of all, for the fast, sure heaverability of the half-track units the of the great military advancets of this war.

h between the first track and those buday was one of the most intensive such and development programs and tracken by The B. F. Goodrich pany. It was carried through in

cooperation with the U. S. Army Ordnance Department and climaxed with the announcement that these tracks are now to be made with substantial amounts of synthetic rubber. Compounds using synthetic rubber have proved equal in wear re-

proved equal in wear resistance to natural rubber.

Rubber tracks enable vehicles to travel cross-country at highway speeds, to cross ditches and streams, to travel through mud or sand that would stop a pneumatic-tired vehicle.

Called "square tires" by some, this continuous band track, in which are embedded steel cables, resists wear on roads and cutting on rock and actually saves almost 500 pounds of rubber per vehicle as compared with the use of combat tires.

Today this great development, another "first" for B. F. Goodrich, is helping to win battles—tomorrow, through peacetime applications on farms and in factories, we hope it will help win the peace.



is Business is published on the 30th of every month by the Chamber of Conmerce of the United States. Publication Office, Washington, D. C. Editorial. Adming and Circulation Offices, 1615 H Street, N. W., Washington, D. C. Subscription price \$4.00 one year; \$9.50 three years; 35 cents a copy, Entered as matter March 20, 1920 at the Post Office at Washington, D. C., additional entry at Greenwich, Conn., under the Act of March 3, 1879, Printed in U. S. A.



CELLULOID INDEX TABS

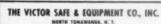
to speed reference in active books, card files or salesmen's portfolios.

Any index you want - typed, written or printed on the changeable inserts may be slipped into the MAK-UR-OWN strip, cut to length and permanently attached in a moment.



Genuine, original MAK-UR-OWN is sold in three widths, seven colors for all kinds of indexing.

GO TO YOUR STATIONER FOR CLEAN CONVENIENT MAK-UR-OWN INDEX TABS





### HAWAII CALLING!

Pre-War Sales: \$100,000,000 Annually! Post-War Potentialities Even Greater!

The advantages of selling in Hawaii are multiple: dollar currency; no exchange difficulties; simple credit requirements, AAA1 risks; free of all documentary headaches.

I know because I've lived, travelled and done business in Hawaii and am at present representing several U.S. manufacturers selling through wholesalers.

If you desire a connection for present or post-war business, write without obligation to

LEONARD BACHRACH 40 Worth Street, New York City, N. Y.



# Washington War Survey

From the Records of the U.S. Chamber's War Service Division

Merchant Marine-In observance of National Maritime Day, Maritime Commission awarded 8 Merchant Marine Distinguished Service Medals to merchant seamen . Approximately 120 Torpedo Pin Awards made each day for heroic service at sea . Employment on active merchant ships increased 20% during first quarter of 1943; 100% increase estimated by end of year 

War Shipping Administrator announces that American shipyards, since Pearl Harbor, have built more merchant tonnage than total steel ship production in entire 5 years of first World War program.

New Weapons of War-War Department announces plans for using amphibious helicopters, operating from Liberty ships, as new weapon against Axis submarines . War and Navy Departments jointly announce development of radars, devices used to detect approach of enemy aircraft and ships, and to determine distance to enemies' forces.

Special Cameras for Navy—Third Naval District appeals for number of Robot, Model 2, 32 or 32.5 millimeter Zeiss Tessar lens cameras; cameras will be bought for Bureau of Ordnance.

Training Programs-War and Navy Departments jointly announce formation of Army and Navy Staff College for training of senior officers of Army, Navy and Marine Corps in all phases of joint or coordinated operations involving land, sea and air . War Department reports on plans for enlistment of 2,000 WAACS to be trained in Signal Corps military communications work; enlistments now being accepted . WMC announces enrolment of women high school graduates in summer courses for engineering, science, management and war training in 1,000 towns and cities will provide 100,000 trained workers to war industries before end of 1943 • WMC chairman reports training of 80,000 men and women for radio work in War Training Courses since October, 1940; additional 18,000 now enrolled in electronics courses.

Women in War Work-WMC Chairman reports employment of women reached all-time peak of 15,200,000 in 1943-1,900,000 more March, 1942; estimates 17,400,000 will be required for civilian labor force and Armed Forces by December, 1943.

Smaller War Plants—OWI represen tive sample survey of small manufacture turing concerns indicates that 58 pe cent are engaged directly or indirect in war production.

Breaking Bottlenecks—Officials of War and Navy Departments, Petroleum Ad ministration for War, WPB and Offer of Rubber Director, to visit rubber, 10 octane gasoline, and related plants Southwest in order to review altuation on ground, in effort to break bottlener in production.

\* \* \*

Conservation and Substitution—Sul stitution of paperboard boxes for the previously made of critical materials sulted in savings, in 1942, of 215,0000 pounds critical metals: 8,000,000 box feet lumber; 750,000 pounds glass; 25 000 pounds cellophane; 36,000 pour plio-film; 12,000 pounds rubber, accor ing to folding box industry report WPB stops scrapping of serviceal used automotive parts as conservation measure . WPB Government Div sion urges schools and colleges to jo paper conservation movement.

Price Control-RFC will make subsid payments to processors of meats, colle and butter to assure continued max mum production, in cooperation will OPA's program of reducing prices of these items . In drive to make price control more effective, OPA annou issuance, to date, of 35 specific maximum price regulations at retail; also 13 community-pricing orders.

Child Care-OWI reports that Child Care Committees have been organiz in approximately 1,000 communities an in every state, taking care of 100,000 children of mothers in war industries.

Safeguarding Allotment Checks-United States Secret Service annot intensified nation-wide educational pro gram in effort to stop thieves and fors ers of dependency allotment checks.

Gifts for Prisoners of War-Board of Economic Warfare announces that after June 10 gift parcels may not be shipp direct to prisoners of war or civilian in ternees who are nationals of the Unite

Nations other than the United States and British Empire.

-E. L. BACHER



Here Currier and Ives, the famous portrayers of American life of the past century, depict one of the great eras of railroading—the achievement of rail transportation from East to West—the opening up of new lands and unexploited resources.

WARS have a way of ending old eras and starting new ones. Following the Peace of 1865, the nation was first united from coast to coast by bands of steel (May 10, 1869). Geographically, America has no new frontiers. Technically we have many. The curtain already has been drawn back on one element of the new era that surely will follow the present conflict -a new tool for the improvement of national transportation-General

Motors locomotives.

/ev

represent

ll manufar that 58 pe or indirect

bottlened

es for the naterials £ 215,000,00

glass; 226 ,000 poun ber, accord y report

nment Div eges to joi ent.

ake subsid

inued mad

eration wil

g prices of make price A annound

ecific mani tail; also 138

that Child

n organize munities and

e of 100,000

industries.

Checkse announce

cational pro

es and forg t checks.

F-Board of es that after ot be shippe

r civilian in of the Unite

nited State

L. BACHEL



Crossing the new frontier is not alone for the railroads. GM Diesels will usher in new possibilities for the farm and for industry as well.

GENERAL MOTORS DIESEL POWER

LOCOMOTIVES ...... ELECTRO-MOTIVE DIVISION, La Grange, III.

ENGINES .. 150 to 2000 H.P. .. CLEVELAND DIESEL ENGINE DIVISION, Cliveland, Ohio

ENGINES ..... 15 to 250 H.P..... DETROIT DIESEL ENGINE DIVISION, Detroil, Mich.

July, 1943 NATION'S BUSINESS for July, 1943



FARMERS in the West were handicapped this year by small allotments of new farm machinery, but the farmers of southern Idaho were able to meet the situationand to step up their production—through the initiative of Bert Bolingbroke, Twin Falls county agent.

Bidders paid \$14,900 for used machines

Bolingbroke found, on checking up on the matter, that practically every farmer in his area had one or more pieces of farm machinery for which he himself had no particular need. Some of the equipment was rusting away in a corner, some even overgrown with weeds. In some cases, parts were missing. Many of the farmers, however, considered these implements too valuable to

The problem was to get this farm machinery into circulation, redistributed to the farmers who needed it to produce victory foods.

In cooperation with the implement dealers of southern Idaho, the Twin Falls Chamber of Commerce, bank officials and the war board of the Department of Agriculture, plans were made for a gigantic Magic Valley auction sale of used farm machinery.

Magic Valley covers eight counties in the Snake River basin. The farmers in this area were urged by radio, newspapers and word of mouth to bring to Twin Falls all kinds of farm implements, usable or repairable, for sale.

On the morning of the auction, more than 1,000 pieces

# Idaho Food Production

of machinery and accessories were assembled in the yard of a local implement dealer. The block-long lot overflowed with everything from fence posts to tractors and farm trucks.

But for the fact that the three auctioneers worked in various sections of the grounds, the sale would have lasted 24 hours.

During the first two hours, more than 200 articles were sold and avid bidding forced prices to levels some what above those ordinarily paid for used farm chinery.

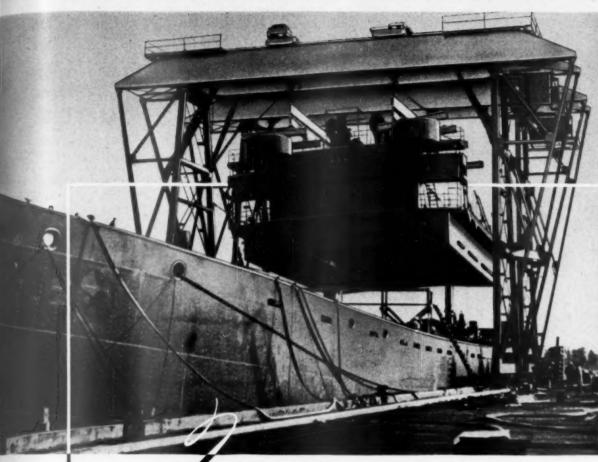
One farmer apparently needed a four-row beet and bean cultivator desperately, and he was determined to get one regardless of cost. He paid \$295 for an imple ment that retailed for \$135, new.

After the sale, one implement dealer admitted frankly that his face was red. He told of a farmer who had pre viously offered to sell him an old disc for \$25. Since the implement was in very poor shape, the dealer refused to buy it.

At the machinery auction, that second-hand disc brought \$150.

When final accounting was made, figures showed that the used machinery had netted its owners more than \$14,900.

"To the farmers themselves goes the credit for this the greatest sale ever held in south Idaho," says Bolingbroke. "They displayed their patriotism by bringing in their machinery so that it could be redistributed, abling other farmers to meet this year's victory for -VIC GOERTZEN crop goals.'



Up she goes

# 165-Ton Deck House for a Liberty Ship

The deck house is one of 192 prefabricated sections of a Liberty Ship ... they are hoisted into place by giant Whiting cranes for quick assembly. Shipbuilding operations that formerly required months can now be completed in days.

Phenomenal records made in American ship production are made possible by powerful, soundly engineered cranes. Whiting has cooperated with the nation's leading shipbuilders by designing special cranes to handle steel and heavy sub-assemblies through every stage of their fabrication. Whiting Corporation, 15677 Lathrop Ave., Harvey, Illinois.





METALWORKING, EQUIPMENT for RAILROADS, BUSSES,

MATION'S BUSINESS for July, 1943

79



Uctioneers

Up

tion

evels som

farm ma-

w beet an termined to

r an imple

ted frankly

ho had pre-

5. Since the r refused to

I-hand disc

howed that

more than

t for thisays Bolingbringing in ributed, en-

ictory food

C GOERTEE

July, 1943



# Install Units of 5 Showers— Cut Piping Connections by 80%

Let Your Employees Wash Away That Tired Feeling

Plants equipped with Bradley Multi-Stall Showers know that employees wash away tiredness and go home happy—fit and ready for top effort the next day, and every day. Coming to you partially assembled, installation is accomplished quickly and in addition piping connections are reduced by 80% required for conventional "single-stall" showers. One pair of supply lines does for a 5-stall Bradley as against five pairs for the others.

### RECENT INSTALLATIONS INCLUDE:

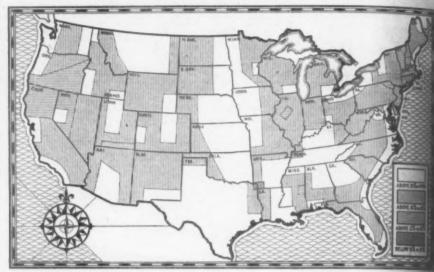
58 5-Stall for Aluminum Co., 19 for Lukens Steel, 23 for Cleveland Graphite, 9 for Wright, 9 for Ridgewood Steel, 25 for Fort Schuyler, 12 for Fort Slocum, 27 for Twin City Ordnance, 5 for Thompson Products, and 2 for U.S.S. Black Hawk.





# The Map of the Nation's Business

By FRANK GREENE



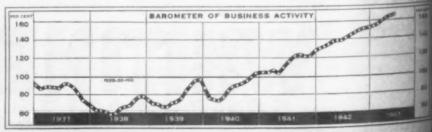
MAY SAW little change in the capacity volume of industrial activity. Notwithstanding badly needed furnace repairs, steel output was the third largest in history but shipbuilding and airplane production established new records. Railroad carloadings held even with last year despite floods and reduced coal and ore shipments, while electricity output made another all-time record. The greatest epidemic of strikes occurred since Pearl Harbor.

Eastern oil reserves declined critically due to military demands and the pipe-line break. The peak of war construction was reported passed as engineering awards declined 74 per cent from last May.

Stock market trading soared on North African war news with prices highest since 1937. Rains seriously delayed corn planting as further increases in farm product prices raised commodity averages to a new high The Map again reflects expanding purchasing power resulting from higher pay rolls and rising farm income



for the past 18 years. Retail traicontinued brisk but inventories de clined due to scarcities felt in both wholesale and retail markets. Basiclearings were only slightly under the 13-year April peak.



Despite some labor disturbances in May, employment generally continue at a high level and the Barometer advanced slightly to a new war page.

# NATION'S USES

y rolls

itories de it in both

ets. Bank

July, 1941

Sch. of Bus. Lib.
BRITAIN
DEBATES AGAIN
MAN vs. the STATE

THE PRINCIPLE DEPT H M22



One of a series illustrating Cyanamid s many acidin

# The Silent Call for Help

The task of finding a needle in a baystack has its counterpart on the water too—in locating and rescuing aviators forced down at sea. If you have never tried it, you have no idea how difficult it is to spot, from high in the air, a man in a life jacket or on a rubber raft—a tiny speck on a vast expanse of trackless ocean.

But—provide the downed pilot with a "I ife Jacket Dye Marker" and he becomes a center of focus. This our Government has done. For a standard part of every aviator's equipment is the "Dye Marker," a special water-proof kit containing a packet of dyestuff. When this that is ripped one a, the die oacket is released and instantly over the surface of the sea spreads a brilliant yellow-

green spot visible for many miles.

This life-saving unit, developed by Cyanamid's Calco Chemical Division, in collaboration with the Army and

Navy, is a daytime beacon—the visible call for help to friendly plane or rescue vessel.

Calco uranine, also known as sodium salt of flucrescein, is the dye used in these markers. It is also used in similar safety equipment for the rubber life rafts carried on our planes and the life boats on our ships. The adaption of this dye to such a useful purpose is typical of Cyanamid's ship to analyze a perset of the moment.

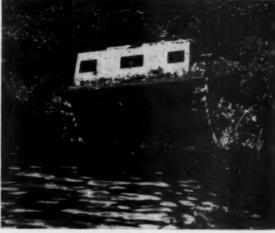
Many of these uses resulting from the urgency of war are destined to bring new safety and efficiency to the peacetime-progress and commerce of tomorrow.



American
Cyanamid Company

-0 BUSTERSINES CLA / WEN TORK









# million pounds of rubber products every day — and 7 "E" awards

typical example of B. F. Goodrich improvement in rubber

me picture in the lower corner me little rings of synthetic rubber a limberted under a powerful glass. It may like these are large and a me so small you could hardly the point of a pencil through them, and thousand weighing only a few limb. Yet all are necessary hydraulic in war planes.

he these up to rubber pontons so they can support bridges, there are than a thousand distinct types there was products — and for in producing them plus other managements, men and women at in B. F. Goodrich piages have the the Army-Navy "E" award.

pany

The output of these plants has averaged far beyond a million pounds a day of finished rubber war products, plus big tonnages of war goods not even made of rubber.

Some of the products made in these plants are original B. F. Goodrich developments—such as rubber springs for the "centipedes that swim," tanks that can travel on land or water (photo, upper right); "square tires," the endless band tracks for the army's half-track vehicles (upper left); airplane De-Icers (lower right); also V-belts for powder and chemical plants, made of rubber that can conduct electricity, thus preventing sparks

that might blow up the whole place; rubber bearings for ships; Koroseal insulation for battleship cable — and other things we don't even have space enough to mention. In some cases the "developments" are improvements in familiar products or faster manufacturing methods.

The Army-Navy "E" is awarded for excellence in the production of was materials. It has been awarded at B. F. Goodrich plants in California, Kentucky, Massachusetts, New York, Ohio, Tennessee and Texas. The B. F. Goodrich Company, Alvon. O.

# B.F. Goodrich

RUBBER and SYNTHETIE module



United the control of the street H. W., Wittington, B. C. Sometipting and M. Mar leaf 10.70 street prints it came a rept. Account as